



**IMU Board of Trustees of the  
Electric, Water and Communications Utilities  
December 27, 2016  
City Hall Council Chambers  
5:30 p.m.**

**Agenda**

1. Call to Order
2. Roll Call
3. Public Comments
4. Consent Agenda
  - A. Claims List for December 5th and 19th, 2016
  - B. Minutes from the November 28th, 2016 Board of Trustees Meeting
  - C. Minutes from the December 5th, 2016 Joint Session with City Council
  - D. November 2016 Treasurer and Financial Reports
  - E. Resolution approving the annual awards banquet recognizing the employees of the Indianola Municipal Utilities
5. Electric Utility Informational Items
  - A. December 2016 MEAN Meeting Update
6. Water Utility Informational Items
7. Communications Utility Informational Items
  - A. Fiber Calendar
8. Combined Electric, Water and Communications Utilities Action Items

- A. Consider Resolution 172 Authorizing Administrative Staff Consolidation and Restructure
- B. Selection of 2017 Officers
- 9. Combined Electric, Water and Communications Utilities Informational Items
- 10. Other Business
  - A. Enter into closed session in accordance with Iowa Code Section 21.5(l)(i) to evaluate the professional competency of an individual whose appointment, hiring, performance, or discharge is being considered when necessary to prevent needless and irreparable injury to that individual's reputation and that individual requests a closed session
- 11. Adjourn

**IMU Regular Downstairs**

**4. A.**

**Meeting Date:** 12/27/2016

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**Information**

**Subject**

Claims List for December 5th and 19th, 2016

**Information**

The claims lists for December 5th and 19th, 2016 are attached for formal approval.

**Financial Impact**

N/A

**Staff Recommendation**

Simple motion is in order.

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**Attachments**

APPROVAL OF CLAIMS - IMU 12-05-16

APPROVAL OF CLAIMS - IMU 12-19-16

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Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
<b>WATER OPERATING FUND</b>				
911 ETC INC	600-8190-63730	911 MONTHLY ACCESS CHARGE	11/30/2016	4.95
ACCO UNLIMITED CORP.	600-8110-65010	LIQUID CHLORINE	11/15/2016	1,335.40
AUTOMATIC SYSTEMS CO.	600-8120-63410	REPAIRS - PUMP #2	11/15/2016	470.00
CHEMTREAT INC	600-8110-65010	CHEMICALS	11/18/2016	1,236.90
DUST PROS JANITORIAL	600-8120-64090	MONTHLY CLEANING (NOV) - WATER DEPT	11/15/2016	180.00
IND CHAMBER OF COMMERCE	600-8190-62100	2017 ANNUAL MEMBERSHIP DUES	11/23/2016	108.30
INFOMAX OFFICE SYSTEMS IN	600-8190-64990	SAVIN - IMAGING UNIT CONTRACT/WA	11/21/2016	18.45
MAHASKA COMMUNICATION G	600-8190-63730	INTERNET CHARGES	11/01/2016	1.44
MAHASKA COMMUNICATION G	600-8190-63730	TELEPHONE 961-9444	11/01/2016	17.98
MAHASKA COMMUNICATION G	600-8110-63730	TELEPHONE	11/01/2016	41.74
MAHASKA COMMUNICATION G	600-8190-63730	INTERNET	11/01/2016	4.18
MAHASKA COMMUNICATION G	600-8190-63730	TELEPHONE	11/01/2016	6.94
MUNICIPAL ENERGY AGENCY	600-8110-63710	PURCHASED POWER - OCT. (WELL KWH & TRANS)	11/09/2016	128.76
MUNICIPAL SUPPLY INC	600-8150-65072	MATERIALS	11/18/2016	31.20
NOLASOFT DEVELOPMENT	600-8190-64990	ANNUAL I-M-U.COM DOMAIN REGISTRATION	11/16/2016	13.68
PIERCE BROTHERS REPAIR	600-8160-63320	1 TON CHEVY	11/21/2016	214.00
RECORD-HERALD & INDIANOL	600-8190-64020	BT MIN-09	10/30/2016	15.50
SHULL, DOUG	600-8190-64990	TREASURER CONTRACT	11/23/2016	15.84
U.S. CELLULAR	600-8110-63730	CELL PHONES - 4	11/12/2016	177.96
UNUM LIFE INSURANCE CO OF	600-8180-61550	LIFE, AD&D AND LTD INSURANCE	11/28/2016	150.71
WELLS FARGO CCER	600-8120-63410	MCCOY TRUE VALUEbatteries for locator	10/14/2016	4.49
WELLS FARGO CCER	600-8160-63320	NAPA PARTS 0000514tractor battery	10/14/2016	124.08
WELLS FARGO CCER	600-8150-63453	THEISENS #21bungees for 2016 Chevy, clamps for vac hose	10/26/2016	20.45
WELLS FARGO CCER	600-8150-65072	CHUMBLEYS AUTO CAREfuel for the 1 gal gas can for quicky saw	10/17/2016	2.80
WELLS FARGO CCER	600-8150-63453	MIDWEST UNDERGROUND SUPPcutting nozzle for vac	10/12/2016	73.49
WELLS FARGO CCER	600-8160-63320	SEAT COVERS PLUSseat cover for 2016, replacement driver seats	10/14/2016	297.00
WELLS FARGO CCER	600-8150-63453	THEISENS #21hole saw for tapper, clamps for vac	10/06/2016	18.77
WELLS FARGO CCER	600-8150-65072	THEISENS #21Tools	10/25/2016	40.98
WELLS FARGO CCER	600-8120-65070	MCCOY TRUE VALUEsupplies for plant	10/07/2016	8.97
WELLS FARGO CCER	600-8120-65070	MCCOY TRUE VALUEpvc primer and glue to fix chlorine leak	10/25/2016	5.84
WELLS FARGO CCER	600-8160-65072	THEISENS #21windshield washer fluid for vehicles and armourall wi	10/24/2016	14.55
WELLS FARGO CCER	600-8190-65070	WALMART.COMOffice Supplies	10/31/2016	28.47
Total WATER OPERATING FUND:				4,813.82

**ELECTRIC OPERATING FUND**

911 ETC INC	630-8290-63730	911 MONTHLY ACCESS CHARGE	11/30/2016	18.76
CINTAS CORPORATION	630-8250-65072	1ST AID SUPPLIES	11/04/2016	230.90
CIVIC SYSTEMS LLC	630-8290-64900	ONSITE TRAINING	11/18/2016	784.76
CR SERVICES	630-8250-65072	FOAM CUPS	11/23/2016	38.61
DUST PROS JANITORIAL	630-8220-64090	JANITORIAL SUPPLIES - TOWELS & HAND SOAP & SCRUB	11/15/2016	67.30
DUST PROS JANITORIAL	630-8220-64090	MONTHLY CLEANING (NOV.) - ADMIN & ELECTRIC DEPT.	11/20/2016	1,476.60
EDWARDS, NATHAN	630-8280-61440	WELLNESS NOV 2016	11/18/2016	25.00
ELECTRICAL ENG & EQUIP	630-8220-65072	PRESSURE SWITCH FOR AIR COMPRESSOR	11/14/2016	116.46
IND CHAMBER OF COMMERCE	630-8290-62100	2017 ANNUAL MEMBERSHIP DUES	11/23/2016	410.40
INFOMAX OFFICE SYSTEMS IN	630-8290-64990	LEASE - DECEMBER	11/22/2016	219.26
INFOMAX OFFICE SYSTEMS IN	630-8290-64900	SAVIN - IMAGING UNIT CONTRACT/EL	11/21/2016	69.92
JV TRUCKING LLC	630-8250-65072	PEA GRAVEL TO E IOWA	11/13/2016	557.40
MAHASKA COMMUNICATION G	630-8290-63730	INTERNET CHARGES	11/01/2016	5.47
MAHASKA COMMUNICATION G	630-8290-63730	TELEPHONE 961-9444	11/01/2016	68.14
MAHASKA COMMUNICATION G	630-8290-63730	INTERNET	11/01/2016	15.84
MAHASKA COMMUNICATION G	630-8240-63730	TELEPHONE	11/01/2016	83.48
MAHASKA COMMUNICATION G	630-8290-63730	TELEPHONE	11/01/2016	26.29
MC MASTER-CARR SUPPLY CO	630-8220-65072	HIGH PRESSURE STEEL PIPE FITTING PLUG	11/16/2016	34.59
MC MASTER-CARR SUPPLY CO	630-8220-65072	PLANT MATERIALS	11/17/2016	167.50
MID AMERICAN ENERGY CO.	630-8210-63710	80950-24015 PLANT GAS 10/18/16 - 11/16/16	11/16/2016	55.39
MID AMERICAN ENERGY CO.	630-8240-63710	52180-25018 LINE SHOP GAS (21 THERMS)	11/17/2016	23.04

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
MID AMERICAN ENERGY CO.	630-8210-63710	52390-25019 BOILER GAS (717 THERMS)	11/16/2016	409.27
MID AMERICAN ENERGY CO.	630-8210-63710	07991-36014 WEST SUB (0 KWH)	11/10/2016	10.00
MUNICIPAL ENERGY AGENCY	630-8230-63990	WIND & LANDFILL GAS ATTRIBUTES - OCT.	11/09/2016	34,476.00
MUNICIPAL ENERGY AGENCY	630-8200-45629	20% 69KV 30.9 CREDIT/ADMIN FEE - OCT.	11/09/2016	11,292.10-
MUNICIPAL ENERGY AGENCY	630-8230-63991	PURCHASED POWER - OCT. (NET ELECTRIC)	11/09/2016	681,486.08
MUNICIPAL ENERGY AGENCY	630-8200-45631	GENERATION COMPENSATION - OCT.	11/09/2016	281.36-
MUNICIPAL ENERGY AGENCY	630-8230-63992	TRANSMISSION/ADJUSTMENT - OCT.	11/09/2016	80,003.74
MUNICIPAL ENERGY AGENCY	630-8230-63991	IND TRANS SYSTEM OPERATOR CHARGE	11/07/2016	5,141.54
NOLASOFT DEVELOPMENT	630-8290-64990	ANNUAL I-M-U.COM DOMAIN REGISTRATION	11/16/2016	51.84
PRO DIESEL INC	630-8260-63320	REPAIRS TO UNIT 29	11/09/2016	3,549.72
RECORD-HERALD & INDIANOL	630-8290-64020	BT MIN-09	10/30/2016	58.72
SHULL, DOUG	630-8290-64990	TREASURER CONTRACT	11/23/2016	60.00
SKARSHAUG TESTING LABORA	630-8250-64200	OCTOBER 2016 TESTING ON PRIMARY GLOVES & SLEEVES AN	11/14/2016	990.90
SKARSHAUG TESTING LABORA	630-8250-64200	ANNUAL TESTING ON TOOLS AND COVER UP UNIT 29	11/18/2016	1,080.60
STANGEL, ROBERT	630-8290-62700	MILEAGE	11/17/2016	462.24
U.S. CELLULAR	630-8240-63730	CELL PHONES - 10	11/12/2016	419.72
UNUM LIFE INSURANCE CO OF	630-8280-61550	LIFE, AD&D AND LTD INSURANCE	11/28/2016	323.64
VANDERPOOL PLUMBING	630-8250-63453	1403 COUNTRY CLUB RD - SYSTEM MAINT.	11/16/2016	1,194.96
VANDERPOOL PLUMBING	630-8250-63453	606 SCOTT FELTON - SYSTEM MAINT.	11/16/2016	355.50
WARREN COUNTY OIL	630-8220-64200	OIL TESTING ON ENGINES	10/31/2016	104.86
WELLS FARGO CCER	630-8290-62100	AMER PUBLIC POWER ASSO2016 RP3 Application	10/12/2016	1,200.00
WELLS FARGO CCER	630-8250-65072	CNM OUTDOOR EQUIPMsharpened chain saw chains	10/21/2016	17.12
WELLS FARGO CCER	630-8260-63320	T AND R AUTOMOTIVEUnit #36 had U-joints replaced on the rear d	10/26/2016	296.84
WELLS FARGO CCER	630-8250-65072	THEISENS #21Packing tape	10/19/2016	3.52
WELLS FARGO CCER	630-8250-65072	MCCOY TRUE VALUEKeys for meter department	10/06/2016	33.73
WELLS FARGO CCER	630-8225-63410	THEISENS #21parts for blackstarts battery charger and new batterie	10/13/2016	11.53
WELLS FARGO CCER	630-8225-63410	MENARDS DES MOINES IAparts for blackstarts new battery charge	10/17/2016	5.17
WELLS FARGO CCER	630-8250-65072	AGRILAND FS 100143818LP gas for forklift	10/24/2016	30.00
WELLS FARGO CCER	630-8210-62300	CASEYS GEN STORE 2742Fuel for Equinox. MEAN generation wor	10/13/2016	26.97
WELLS FARGO CCER	630-8290-62300	HAMPTON INN Lodging - Mean Mtg	10/24/2016	159.88
WELLS FARGO CCER	630-8290-65070	WALMART.COMOffice Supplies	10/31/2016	107.87
WELLS FARGO CCER	630-8250-65072	MCCOY TRUE VALUEspade to replace broken one on unit 32	10/04/2016	9.84
WELLS FARGO CCER	630-8225-63410	MCCOY TRUE VALUEparts for blackstarts new battery charger and	10/14/2016	11.89
WELLS FARGO CCER	630-8260-63320	NOBLE FORD INCoil change for equinox 119126	10/24/2016	42.05
WELLS FARGO CCER	630-8250-65072	THEISENS #21folding ruler-Eric, Ben side cutters-Ben socket- unit 3	10/31/2016	59.34
WELLS FARGO CCER	630-8260-65072	TEREX SERVICESReplacement sheaves for Unit 34 on boom	10/03/2016	250.17
WELLS FARGO CCER	630-8250-65072	MCCOY TRUE VALUEDura pack C and D batteries for multiple locat	10/12/2016	72.17
WELLS FARGO CCER	630-8260-65072	NAPA PARTS 0000514Had to replace battery in Unit #10	10/27/2016	134.81
WELLS FARGO CCER	630-8210-62300	IMAGESBreakfast for Nate Edwards and Mike Metcalf. MEAN gener	10/14/2016	15.76
WELLS FARGO CCER	630-8290-65070	NATIONAL CAR RENTALFraudulent charge - reported on 11-4-16.	10/18/2016	6,867.63
WELLS FARGO CCER	630-8210-62300	HOTEL GRAND CONFERENCE CEHotel Room for Mike Metcalf. M	10/14/2016	114.19
WELLS FARGO CCER	630-8250-65072	MCCOY TRUE VALUEduct tape	10/18/2016	12.83
WELLS FARGO CCER	630-8250-65072	THEISENS #21Tape measure and snap ring to fix 5/8 tool	10/04/2016	21.39
WELLS FARGO CCER	630-8210-62300	IMAGESDinner for Nate Edwards and Mike Metcalf. MEAN generati	10/13/2016	24.61
WELLS FARGO CCER	630-8250-65072	CNM OUTDOOR EQUIPMchainsaw oil for unit 29 - Tyler states he f	10/17/2016	16.00
WELLS FARGO CCER	630-8250-65072	THEISENS #21jumper cables for warehouse	10/10/2016	29.95
WELLS FARGO CCER	630-8210-62300	HOTEL GRAND CONFERENCE CEHotel Room for Nate Edwards.	10/14/2016	114.19
WELLS FARGO CCER	630-8225-63410	THEISENS #21parts for blackstarts new battery charger and batterie	10/18/2016	21.38
WELLS FARGO CCER	630-8250-65072	BOBS TOOLSnnew batteryrs for dewalt tools unit 29	10/26/2016	105.99
WIEGERT DISPOSAL CO.	630-8220-64090	WASTE PICKUP - NOV. 2016	11/30/2016	110.00
Total ELECTRIC OPERATING FUND:				813,027.80
<b>FIBER/COMMUNICATIONS FUND</b>				
911 ETC INC	640-8590-63730	911 MONTHLY ACCESS CHARGE	11/30/2016	2.34
IND CHAMBER OF COMMERCE	640-8590-62100	2017 ANNUAL MEMBERSHIP DUES	11/23/2016	51.30
INFOMAX OFFICE SYSTEMS IN	640-8590-64990	SAVIN - IMAGING UNIT CONTRACT/NS	11/21/2016	8.74
INTER-COMMERCIAL BUSINES	640-8550-63464	6" CAB FAN FOR FIBER CABINET	11/14/2016	216.31

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
LANE, ERIC	640-8590-61440	WELLNESS 9/15/16 - 11/14/16	11/08/2016	50.00
MAHASKA COMMUNICATION G	640-8590-63730	INTERNET CHARGES	11/01/2016	.69
MAHASKA COMMUNICATION G	640-8590-63730	TELEPHONE 961-9444	11/01/2016	8.52
MAHASKA COMMUNICATION G	640-8590-63730	TELEPHONE	11/01/2016	3.29
MAHASKA COMMUNICATION G	640-8590-63730	INTERNET	11/01/2016	1.98
NOLASOFT DEVELOPMENT	640-8590-64990	ANNUAL I-M-U.COM DOMAIN REGISTRATION	11/16/2016	6.48
RECORD-HERALD & INDIANOL	640-8590-64020	BT MIN-09	10/30/2016	7.35
SHULL, DOUG	640-8590-64990	TREASURER CONTRACT	11/23/2016	7.50
U.S. CELLULAR	640-8590-63730	CELL PHONE	11/12/2016	75.46
UNUM LIFE INSURANCE CO OF	640-8590-61550	LIFE, AD&D AND LTD INSURANCE	11/28/2016	8.33
WELLS FARGO CCER	640-8550-62300	IAMU - 937457Broadband Conference	10/10/2016	70.00
WELLS FARGO CCER	640-8590-65070	WALMART.COMOffice Supplies	10/31/2016	13.48
WELLS FARGO CCER	640-8550-63464	THEISENS #21Shelf for fiber inventory.	10/21/2016	32.09
Total FIBER/COMMUNICATIONS FUND:				563.86
<b>WATER CAPITAL PROJECTS FUND</b>				
MUNICIPAL SUPPLY INC	700-8100-67905	METER	11/16/2016	1,241.00
Total WATER CAPITAL PROJECTS FUND:				1,241.00
<b>ELECTRIC CAPITAL PROJECTS FUND</b>				
CR SERVICES	730-8200-67906	LOCATE FLAGS RED AND ORANGE	11/23/2016	424.01
ELECTRICAL ENG & EQUIP	730-8200-67906	PVC AND #12 THHN LOCATE WIRE	11/08/2016	864.54
HUDSON, KURT & LAURE	730-8200-67307	PROJECT 700 - 805 NORTH J ST	11/20/2016	700.00
METERING & TECHNOLOGY SO	730-8200-67906	2S VISION METERS CL 200	11/22/2016	6,125.18
MUNICIPAL ENERGY AGENCY	730-8200-45629	80% 69KV 30.9 CREDIT/ADMIN FEE - OCT.	11/09/2016	45,168.38-
NEWCOM TECHNOLOGIES INC	730-8200-67605	IMU FTTH ENGINEERING, DESIGN & DIGITIZATION, LOOKOUT	11/21/2016	68,959.32
POWER & TEL	730-8200-67906	ONT TA352	11/18/2016	1,543.33
POWER & TEL	730-8200-67906	FLAT TONABLE DROP 300'	11/10/2016	977.77
WELLS FARGO CCER	730-8200-67603	THEISENS #21Conduit for fiber drop at Westroads.	10/05/2016	2.54
WESCO	730-8200-67906	RED AND ORANGE LOCATE PAINT	11/08/2016	269.64
WESCO	730-8200-67906	2 HOLE FOR TERM WEST	11/16/2016	31.78
WESCO	730-8200-67906	RED AND ORANGE LOCATE PAINT	11/18/2016	377.50
Total ELECTRIC CAPITAL PROJECTS FUND:				35,107.23
Grand Totals:				854,753.71

Board of Trustees: \_\_\_\_\_

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Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
<b>WATER OPERATING FUND</b>				
ACCO UNLIMITED CORP.	600-8120-63410	PIPE, COUPLINGS & BALL VALVES	12/06/2016	195.35
CITY OF INDIANOLA - UTILITY	600-8110-63710	UTILITIES	12/01/2016	12,922.38
CR SERVICES	600-8110-65500	SAFETY T-SHIRTS	12/06/2016	262.80
CR SERVICES	600-8120-65070	KLEENEX	12/12/2016	39.96
CUNNINGHAM, GARRY	600-8110-62300	SWSV - INFORMATION SERIES	10/18/2016	50.00
CUNNINGHAM, GARRY	600-8110-62300	SWSV - INFORMATION SERIES W/LEARNING BOOKLET SET	10/18/2016	117.00
CUNNINGHAM, GARRY	600-8110-62300	707 - WATER SYSTEMS OPERATION /MAINT VIDEO TRAINING S	11/01/2016	116.00
DOWNEY TIRE SERVICE	600-8160-63320	BLUE FORD TRACTOR	12/06/2016	109.99
DOWNEY TIRE SERVICE	600-8160-63320	TIRE	12/06/2016	211.97
ELECTRONIC ENGINEERING C	600-8160-63320	TON CHEVY (2 WAY RADIO)	09/13/2016	364.80
IMWCA	600-8180-61599	INSTALL #5	10/01/2016	1,073.00
IMWCA	600-8180-61599	INSTALL #6	11/01/2016	1,073.00
IMWCA	600-8180-61599	INSTALL #7	12/01/2016	1,073.00
IOWA ASSOC OF MUN UTILITIE	600-8192-64990	SAFETY CONSULTATION - NOVEMBER 2016	11/30/2016	180.33
IOWA ONE CALL	600-8190-63730	WA-LOCATING NOTIFICATION/175 TICKETS	12/07/2016	157.70
KEYSTONE LABORATORIES IN	600-8110-64990	WATER ANALYSIS	11/30/2016	660.40
KLOOTWYK, MICHELLE	600-8190-63730	MOBILE DEVICE ALLOWANCE	12/01/2016	18.00
LEVEL UP GAMES LLC	600-8180-64180	REFUND CONN FEE - 126 W ASHLAND	12/12/2016	1.05
LEVEL UP GAMES LLC	600-8190-66990	REFUND CONN FEE - 126 W ASHLAND	12/12/2016	15.00
LONGER, CHRIS	600-8190-63730	MOBILE DEVICE ALLOWANCE	12/01/2016	36.00
MAHASKA COMMUNICATION G	600-8190-63730	TELEPHONE 961-9444	12/01/2016	17.98
MAHASKA COMMUNICATION G	600-8190-63730	INTERNET CHARGES	12/01/2016	1.44
MAHASKA COMMUNICATION G	600-8110-63730	TELEPHONE	12/01/2016	41.74
MAHASKA COMMUNICATION G	600-8190-63730	TELEPHONE	12/01/2016	6.94
MAHASKA COMMUNICATION G	600-8190-63730	INTERNET	12/01/2016	4.18
MERCY MEDICAL CENTER	600-8190-61440	WELLNESS SCREENING 2016	11/01/2016	405.90
MIDWEST UNDERGROUND	600-8120-63410	PARTS	12/06/2016	84.82
MUNICIPAL ENERGY AGENCY	600-8110-63710	PURCHASED POWER - NOV. (WELL KWH & TRANS)	12/08/2016	936.84
NORWALK READY-MIXED CON	600-8150-63453	CONCRETE - ASHLAND & NORTH "G"	11/29/2016	900.00
RECORD-HERALD & INDIANOL	600-8190-64020	QUARTERLY CHAMBER PAGE	11/27/2016	12.35
RECORD-HERALD & INDIANOL	600-8190-64020	BT MIN-10	11/16/2016	32.19
STANGEL, ROBERT	600-8190-63730	MOBILE DEVICE ALLOWANCE	12/01/2016	54.00
STATE HYGENIC LABORATORY	600-8110-64990	BACTEE SAMPLES	11/30/2016	187.50
TELRITE CORPORATION	600-8190-63730	IMU - LONG DISTANCE	11/22/2016	4.64
VERIZON WIRELESS	600-8110-63730	WIRELESS FOR LAPTOP	11/26/2016	40.03
WARREN COUNTY ENGINEER	600-8160-65050	FUEL DISTRIBUTION	12/07/2016	404.46
WASTE MANAGEMENT OF IOW	600-8120-64090	TRASH - DEC 2016	11/29/2016	63.15
WELLS FARGO CCER	600-8120-65070	MCCOY TRUE VALUEcable ties for snow fence	11/18/2016	7.98
WELLS FARGO CCER	600-8160-63320	DOWNEY TIRES tire repair	11/16/2016	32.28
WELLS FARGO CCER	600-8190-67240	B&H PHOTO, 800-606-6969Battery backup for Chris L	11/04/2016	8.16
WELLS FARGO CCER	600-8150-65072	MCCOY TRUE VALUE220 plug for generator, wire strippers for truck	11/14/2016	30.58
WELLS FARGO CCER	600-8190-67240	CDW GOVERNMENTLaptop Battery	11/18/2016	72.82
WELLS FARGO CCER	600-8160-65072	THEISENS #21bolt for hoist	11/21/2016	1.09
WELLS FARGO CCER	600-8120-63410	MCCOY TRUE VALUEtape and batteries for plant	11/09/2016	6.73
WELLS FARGO CCER	600-8160-65072	NOR NORTHERN TOOLcrane hoist for 2016 truck	11/15/2016	406.39
WELLS FARGO CCER	600-8120-65070	MCCOY TRUE VALUEhigh service guards	11/21/2016	12.95
WELLS FARGO CCER	600-8190-67240	DROPBOX QTBZYGSTN62VDropbox Annual Fee	11/10/2016	18.81
WELLS FARGO CCER	600-8150-65072	THEISENS #21supplies	11/28/2016	25.98
WELLS FARGO CCER	600-8120-63100	THEISENS #21field tile	11/04/2016	80.87
WELLS FARGO CCER	600-8160-63320	DOWNEY TIRES tire repair	11/16/2016	2.11-
WELLS FARGO CCER	600-8110-65070	THEISENS #21anti-freeze	11/21/2016	27.47
WELLS FARGO CCER	600-8160-63320	OREILLY AUTO 00003376oil and filters for 2008, 2009, 2013 trucks	11/23/2016	147.62
Total WATER OPERATING FUND:				22,753.51
<b>ELECTRIC OPERATING FUND</b>				
CITY OF INDIANOLA - REBATE	630-8290-67306	COMMERCIAL LIGHTING	12/06/2016	896.00

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
CITY OF INDIANOLA - UTILITY	630-8210-63710	UTILITIES	11/30/2016	1,733.71
IMWCA	630-8280-61599	INSTALL #5	10/01/2016	2,035.00
IMWCA	630-8280-61599	INSTALL #6	11/01/2016	2,035.00
IMWCA	630-8280-61599	INSTALL #7	12/01/2016	2,035.00
IOWA ASSOC OF MUN UTILITIE	630-8292-64990	SAFETY CONSULTATION - NOVEMBER 2016	11/30/2016	180.35
IOWA ASSOC OF MUN UTILITIE	630-8240-62300	UNDERGROUND ELECTRIC WORKSHOP, HILDRETH, CLINGMA	09/07/2016	1,035.00
IOWA ONE CALL	630-8290-63730	EL-LOCATING NOTIFICATION/172 TICKETS	12/07/2016	154.80
KLOOTWYK, MICHELLE	630-8290-63730	MOBILE DEVICE ALLOWANCE	12/01/2016	4.75
LEVEL UP GAMES LLC	630-8280-64180	REFUND CONN FEE - 126 W ASHLAND	12/12/2016	1.05
LEVEL UP GAMES LLC	630-8290-66990	REFUND CONN FEE - 126 W ASHLAND	12/12/2016	15.00
LONGER, CHRIS	630-8290-63730	MOBILE DEVICE ALLOWANCE	12/01/2016	9.50
MAHASKA COMMUNICATION G	630-8290-63730	TELEPHONE 961-9444	12/01/2016	68.14
MAHASKA COMMUNICATION G	630-8290-63730	INTERNET CHARGES	12/01/2016	5.47
MAHASKA COMMUNICATION G	630-8290-63730	INTERNET	12/01/2016	15.84
MAHASKA COMMUNICATION G	630-8240-63730	TELEPHONE	12/01/2016	83.48
MAHASKA COMMUNICATION G	630-8290-63730	TELEPHONE	12/01/2016	26.29
MC MASTER-CARR SUPPLY CO	630-8220-65072	BATTERIES FOR METER IN PLANT	11/29/2016	29.52
MC MASTER-CARR SUPPLY CO	630-8220-65072	EMERGENCY LIGHT LIGHT BULBS	11/30/2016	45.76
MC MASTER-CARR SUPPLY CO	630-8220-65072	EMERGENCY LIGHT BATTERY	12/07/2016	18.67
MERCY MEDICAL CENTER	630-8290-61440	WELLNESS SCREENING 2016	11/01/2016	794.20
METCALF, MIKE	630-8240-63730	MOBILE DEVICE ALLOWANCE	12/01/2016	75.00
MIDWEST MUNICIPAL TRANSMI	630-8290-62100	MMTG DUES JULY - DECEMBER 2016	07/22/2016	3,780.00
MUNICIPAL ENERGY AGENCY	630-8230-63991	PURCHASED POWER - NOV. (NET ELECTRIC)	12/08/2016	658,266.85
MUNICIPAL ENERGY AGENCY	630-8200-45629	20% 69KV 30.9 CREDIT/ADMIN FEE - NOV.	12/08/2016	9,934.53-
MUNICIPAL ENERGY AGENCY	630-8230-63992	TRANSMISSION/ADJUSTMENT - NOV.	12/08/2016	38,399.11
MUNICIPAL ENERGY AGENCY	630-8230-63990	WIND & LANDFILL GAS ATRIBUTES - NOV.	12/08/2016	35,955.00
MUNICIPAL ENERGY AGENCY	630-8230-63991	IND TRANS SYSTEM OPERATOR CHARGE	12/07/2016	5,141.54
NORWALK READY-MIXED CON	630-8250-63453	DAMAGE TO A SEWER LINE	11/09/2016	290.00
OVERHEAD DOOR COMPANY	630-8220-63100	REPAIR TO LINESHOP OVERHEAD DOOR	12/05/2016	1,013.00
QUALITY PEST CONTROL	630-8220-63100	GENERAL PEST CONTROL	12/02/2016	75.91
RECORD-HERALD & INDIANOL	630-8290-64020	QUARTERLY CHAMBER PAGE	11/27/2016	46.80
RECORD-HERALD & INDIANOL	630-8290-64020	BT MIN-10	11/16/2016	121.98
SKARSHAUG TESTING LABORA	630-8250-64200	ANNUAL TESTING HOT HOIST UNIT 29	11/23/2016	565.01
SPEE-DEE DELIVERY SERVICE	630-8260-65080	ONCALL SHIPMENT	11/28/2016	16.71
STANGEL, ROBERT	630-8290-63730	MOBILE DEVICE ALLOWANCE	12/01/2016	14.25
TELRITE CORPORATION	630-8290-63730	IMU - LONG DISTANCE	11/22/2016	17.60
VERIZON WIRELESS	630-8240-63730	WIRELESS FOR SERVICE CREW LAPTOPS	11/26/2016	240.18
VERIZON WIRELESS	630-8240-63730	WIRELESS FOR SPARE LAPTOP	11/26/2016	20.00
WARREN COUNTY ENGINEER	630-8260-65050	FUEL DISTRIBUTION	12/07/2016	1,055.75
WELLS FARGO CCER	630-8260-65072	OREILLY AUTO 00003376oil and filters for unit 7 to service the vehi	11/21/2016	61.74
WELLS FARGO CCER	630-8220-65072	THEISENS #21shop vac filter and ball valve for air compressor	11/17/2016	19.13
WELLS FARGO CCER	630-8250-65072	CIRCLE B CASHWAY OF INDIAREplacement shovel for Unit 7	11/21/2016	26.74
WELLS FARGO CCER	630-8290-65070	NATIONAL CAR RENTALFraudulent Charge - Credit Pending	11/07/2016	223.69
WELLS FARGO CCER	630-8260-65072	NAPA PARTS 0000514Vehicle maint	11/18/2016	55.79
WELLS FARGO CCER	630-8290-65070	FRAUD-NATIONAL CAR RENTALFraudlent Charge - Credit Pendin	11/30/2016	6,867.63-
WELLS FARGO CCER	630-8290-62300	QUALITY INN SUITESMEAN meeting hotel stay	11/18/2016	95.17
WELLS FARGO CCER	630-8250-65072	THEISENS #21replaced a broken tool on #29	11/23/2016	4.80
WELLS FARGO CCER	630-8250-65072	THEISENS #21crescent wrench for unit 31	11/18/2016	21.39
WELLS FARGO CCER	630-8290-67240	CDW GOVERNMENTLaptop Battery	11/18/2016	72.81
WELLS FARGO CCER	630-8250-65072	MCCOY TRUE VALUEC9 Christmas light bulbs for square	11/29/2016	288.90
WELLS FARGO CCER	630-8250-65072	THEISENS #21Snap ring pliers	11/08/2016	21.39
WELLS FARGO CCER	630-8220-65072	MCCOY TRUE VALUEball valve for air copressor	11/17/2016	34.63
WELLS FARGO CCER	630-8250-65072	CNM OUTDOOR EQUIPMchain saw oil for unit 7 - Receipts were av	11/21/2016	16.00
WELLS FARGO CCER	630-8290-62300	AMER PUBLIC POWER ASSOAmerican Public Power Assoc	11/18/2016	399.00
WELLS FARGO CCER	630-8290-67240	DROPBOX QTBZYGSTN62VDropbox Annual Fee	11/10/2016	71.28
WELLS FARGO CCER	630-8290-62300	MCDONALDS F36484MEAN meeting meal while traveling	11/18/2016	6.99
WELLS FARGO CCER	630-8290-67240	B&H PHOTO, 800-606-6969Battery backup for Chris L	11/04/2016	30.92
WELLS FARGO CCER	630-8260-65072	THEISENS #212 5/16 inch ball for trailer hitch unit 33 fiber	11/15/2016	12.83



Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
WESCO	630-8250-65072	HUSKIE BATTERY FOR UNIT 7	12/06/2016	212.93
Total ELECTRIC OPERATING FUND:				741,191.19
<b>FIBER/COMMUNICATIONS FUND</b>				
CITY OF INDIANOLA - UTILITY	640-8550-63464	UTILITIES	11/30/2016	686.78
IMWCA	640-8590-61599	INSTALL #5	10/01/2016	37.00
IMWCA	640-8590-61599	INSTALL #6	11/01/2016	37.00
IMWCA	640-8590-61599	INSTALL #7	12/01/2016	37.00
IOWA ONE CALL	640-8590-63730	FIBER-LOCATING NOTIFICATION/123 TICKETS	12/07/2016	110.90
KLOOTWYK, MICHELLE	640-8590-63730	MOBILE DEVICE ALLOWANCE	12/01/2016	2.25
LONGER, CHRIS	640-8590-63730	MOBILE DEVICE ALLOWANCE	12/01/2016	4.50
MAGELLAN ADVISORS LLC	640-8550-64900	WEEKLY PROJECT CALLS, DATA TO NEWCOM	10/30/2016	2,100.00
MAHASKA COMMUNICATION G	640-8550-63464	FIBER MAINTENANCE	11/01/2016	575.00
MAHASKA COMMUNICATION G	640-8590-63730	INTERNET CHARGES	12/01/2016	.69
MAHASKA COMMUNICATION G	640-8590-63730	TELEPHONE 961-9444	12/01/2016	8.52
MAHASKA COMMUNICATION G	640-8590-63730	TELEPHONE	12/01/2016	3.29
MAHASKA COMMUNICATION G	640-8590-63730	INTERNET	12/01/2016	1.98
MERCY MEDICAL CENTER	640-8590-61440	WELLNESS SCREENING 2016	11/01/2016	9.90
RECORD-HERALD & INDIANOL	640-8590-64020	QUARTERLY CHAMBER PAGE	11/27/2016	5.85
RECORD-HERALD & INDIANOL	640-8590-64020	BT MIN-10	11/16/2016	15.24
STANGEL, ROBERT	640-8590-63730	MOBILE DEVICE ALLOWANCE	12/01/2016	6.75
TELRITE CORPORATION	640-8590-63730	IMU - LONG DISTANCE	11/22/2016	2.20
WELLS FARGO CCER	640-8590-67240	DROPBOX QTBZYGSTN62VDropbox Annual Fee	11/10/2016	8.91
WELLS FARGO CCER	640-8550-63464	THEISENS #21Butt splices for pool irrigation system wire repair.	11/29/2016	2.13
WELLS FARGO CCER	640-8550-63464	PAYPAL PREMCABLESPool irrigation system control wire for repair	11/22/2016	16.19
WELLS FARGO CCER	640-8590-67240	B&H PHOTO, 800-606-6969Battery backup for Chris L	11/04/2016	3.87
WELLS FARGO CCER	640-8550-63464	THEISENS #211 1/4 inch rubber couplers for pool irrigation system h	11/21/2016	5.97
Total FIBER/COMMUNICATIONS FUND:				3,681.92
<b>WATER CAPITAL PROJECTS FUND</b>				
CENTRAL TANK COATINGS INC	700-8100-67402	SIMPSON WATER TOWER INTERIOR COATING REPAIR	12/05/2016	3,500.00
HD SUPPLY WATERWORKS	700-8100-67906	MATERIALS	12/05/2016	1,265.00
HD SUPPLY WATERWORKS	700-8100-67906	MATERIALS	12/05/2016	110.00
HD SUPPLY WATERWORKS	700-8100-67906	MATERIALS	12/05/2016	550.00
Total WATER CAPITAL PROJECTS FUND:				5,425.00
<b>ELECTRIC CAPITAL PROJECTS FUND</b>				
BRICK GENTRY P.C.	730-8200-67901	20067.000 LEGAL SERVICES	11/25/2016	180.00
CR SERVICES	730-8200-67906	WINTER GLOVES	12/06/2016	75.50
MAHASKA COMMUNICATION G	730-8200-67603	SERVICE DROPS	11/01/2016	4,196.00
METERING & TECHNOLOGY SO	730-8200-67906	TIME OF USE METERS	12/05/2016	2,809.39
MUNICIPAL ENERGY AGENCY	730-8200-45629	80% 69KV 30.9 CREDIT/ADMIN FEE - NOV.	12/08/2016	39,738.11-
NEWCOM TECHNOLOGIES INC	730-8200-67605	IMU FTTH ENGINEERING, DESIGN & DIGITIZATION, LOOKOUT	12/05/2016	31,612.17
TERRY-DURIN CO.	730-8200-67906	LED RETRO LIGHTS FOR HWY	11/28/2016	2,642.02
WESCO	730-8200-67906	ARM PINS	12/05/2016	135.03
WESCO	730-8200-67906	MISC PARTS	12/06/2016	1,770.37
Total ELECTRIC CAPITAL PROJECTS FUND:				3,682.37
<b>CASH ALLOCATION FUND</b>				
ALTISOURCE SOLUTIONS INC	999-0000-11005	CREDIT ON ACCT - 907 SCOTT FELTON RD	11/28/2016	358.34
DALE, JENNA	999-0000-11005	REIMBURSE OVERPAYMENT - STATE OFFSET	12/14/2016	338.44
SCHENDEL, JULIE	999-0000-11005	REFUND CREDIT ON ACCT	12/12/2016	123.30

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
Total CASH ALLOCATION FUND:				820.08
Grand Totals:				777,554.07

Board of Trustees: \_\_\_\_\_

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**IMU Regular Downstairs**

**4. B.**

**Meeting Date:** 12/27/2016

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**Information**

**Subject**

Minutes from the November 28th, 2016 Board of Trustees Meeting

**Information**

The minutes from the November 28th, 2016 Board of Trustees Meeting are attached for formal approval.

**Financial Impact**

N/A

**Staff Recommendation**

Simple motion is in order.

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**Attachments**

IMU 161128 Minutes

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BOARD OF TRUSTEE MINUTES  
REGULAR SESSION – NOVEMBER 28, 2016

The Board of Trustees met in regular session at 5:30 p.m. on November 28, 2016 in the City Hall Council Chambers. Chairperson Deb White called the meeting to order and on roll call the following members were present: Lesley Forbush, Jim McClymond and Deb White.

There was no public comment.

Board member Voigts arrived at the meeting.

The consent agenda consisting of the following was approved on a motion McClymond and seconded by Voigts. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

November 7 and 21, 2016 claims

October 24, 2016 minutes

The September and October 2016 Treasurer's report and budget variance report

Quarterly write-offs to be sent to the State Offset Program – \$19,025.37 for Electric and \$2,351.87 for Water

Electric Utility Informational Items

Rob Stangel, General Manager, updated the Board on the November 2016 Municipal Energy Agency of Nebraska (MEAN) meeting, the 2017 NMPP/MEAN/Board Committee Calendar, financial statements and the MEAN Bond refunding.

Board member Voigts was excused from the meeting.

Mike Metcalf, Electric Superintendent, reported on the Electric Utility Informational Items.

Water Utility Informational Items

Lou Elbert, Water Superintendent, reported on the Water Utility Informational Items.

Communication Utility Informational Items

Rob Stangel, General Manager reported on the Newcome Tech Progress report.

Combined Utility Informational Items

Chris Longer, Program Coordinator, presented the Insurance Committee Update.

The Board will be holding a closed joint meeting between the IMU Board of Trustees and City Council on December 5, 2016 at 7:00 p.m. in the City Council Chambers to discuss labor negotiations.

The Board discussed the procedure regarding the General Manager's evaluation. It was the consensus to hold a meeting on December 8, 2016 at 7:30 a.m. in the City Hall Council Chambers to discuss the evaluation procedure.

Board member McClymond moved and Forbush seconded to enter into closed session in accordance with Iowa Code Section 21.5(1)(j) to discuss the purchase or sale of particular real estate only where premature disclosure could be reasonably expected to increase the price the governmental body would have to pay for that property or reduce the price the governmental body would receive for that property. On roll call the vote was, AYES: Forbush, White and McClymond. NAYS: None. ABSENT: Voigts and Rozga. Whereupon the Chairperson declared the motion carried unanimously.

McClymond moved and Forbush seconded to return to regular session. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Meeting adjourned at 6:40 p.m. on a motion by McClymond and seconded by Forbush.

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Deb White, Chair

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Diana Bowlin, City Clerk

**IMU Regular Downstairs**

**4. C.**

**Meeting Date:** 12/27/2016

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**Information**

**Subject**

Minutes from the December 5th, 2016 Joint Session with City Council

**Information**

The minutes from the December 5th, 2016 joint session with City Council are attached for formal approval.

**Financial Impact**

N/A

**Staff Recommendation**

Simple motion is in order.

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**Attachments**

IMU 161205 Minutes

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BOARD OF TRUSTEE MINUTES  
REGULAR SESSION – DECEMBER 5, 2016

The Board of Trustees met in joint session with the City Council at 7:00 p.m. on December 5, 2016 in the City Hall Council Chambers. Chairperson Deb White called the meeting to order and on roll call the following members were present: Lesley Forbush, Jim McClymond, Mike Rozga and Deb White. Absent: Adam Voigts. Also present were: Shirley Clark, Joe Gezel, John Parker, Pam Pepper, Brad Ross and Greta Southall. Absent: Mayor Kelly B. Shaw.

General Manager Rob Stangel presented the Administrative Department and Consolidation & Restructure including:

- Background
  - IMU Board received recommendation from Magellan Advisors to build out fiber network in Indianola
  - The General Manager and the Board of Trustees Chair reported the feasibility study findings to the City Council
  - Established a staff committee to discuss joint impacts on staffing, facilities, and systems/software
- Feasibility Study recommendation – discussed how many full time employees would need to be hired
- Current and proposed structure of the City and IMU administrative staff
- Budget impacts
- Staff recommendations
  - Consolidate and restructure City and IMU Administrative Departments – outsource payroll & hire 0.5 full time employee and recalculate cost allocation between departments
  - Maximizes current staffing capabilities
  - Simplifies restructure

It was the consensus of the Board to authorize staff to move forward with the restructure.

Meeting adjourned at 7:50 p.m. on a motion by McClymond and seconded by Rozga.

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Deb White, Chair

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Diana Bowlin, City Clerk

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**Information**

**Subject**

November 2016 Treasurer and Financial Reports

**Information**

The November 2016 Treasurer and Financial Reports are attached for formal approval.

**Financial Impact**

N/A

**Staff Recommendation**

Simple motion is in order.

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**Attachments**

November 2016 Treasurer Report

November 2016 O&M Reports

November 2016 Capital Reports

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**FINANCIAL REPORT**  
**MONTH OF NOVEMBER, 2016**

Page 1

FUND	Beginning Balance	Monies Received	Monies Disbursed	Transfer In	Transfer Out	Clerk's Balance	% of Total
001 General Government	1,400,000.65	50,038.12	163,523.82	405,580.44	2,518.73	1,689,576.66	
011 Police	904,567.00	104,400.15	176,430.72	222,692.58	339.90	1,054,889.11	
015 Fire	587,092.19	48,877.35	34,294.61	35,322.38	24.72	636,972.59	
016 Ambulance	350,581.03	87,432.48	91,776.94	18,649.70	15,572.66	349,313.61	
041 Library	22,217.28	61,130.54	28,759.02	37,200.53	46.35	91,742.98	
042 Park & Recreation	572,966.08	58,713.13	88,291.13	42,143.03	108.15	585,422.96	
045 Memorial Pool	6,757.50	6,378.58	44,517.65	0.00	0.00	-31,381.57	
071 General Fund Debt Service	89,906.96	5,162.88	0.00	0.00	0.00	95,069.84	
099 Franchise Fees-MEC	512,412.57	0.00	0.00	0.00	0.00	512,412.57	
<b>GENERAL FUND SUB-TOTAL</b>	<b>4,446,501.26</b>	<b>422,133.23</b>	<b>627,593.89</b>	<b>761,588.66</b>	<b>18,610.51</b>	<b>4,984,018.75</b>	
110 Road Use Tax (Streets)	1,422,214.10	164,905.19	111,736.02	0.00	16,434.37	1,458,948.90	
112 Trust & Agency	237,774.37	91,725.51	0.00	0.00	329,499.88	0.00	
115 YMCA Maintenance Obligations	285,191.46	0.00	0.00	0.00	0.00	285,191.46	
121 Local Option Sales Tax	330,080.54	165,040.29	0.00	0.00	0.00	495,120.83	
125 TIF--Downtown	1,279,628.16	172,986.33	0.00	0.00	275,000.00	1,177,614.49	
141 Library Special Revenue	32,767.79	6,669.09	203.70	0.00	0.00	39,233.18	
142 Park & Rec Special Revenue	142,465.83	1,332.70	2,471.09	0.00	0.00	141,327.44	
160 Downtown Revolving Loan	156,256.82	0.00	0.00	0.00	0.00	156,256.82	
161 Downtown Business Inc Program	31,606.09	2,089.94	350.75	0.00	0.00	33,345.28	
177 Police Forfeiture	19,830.07	0.00	0.00	0.00	0.00	19,830.07	
190 Vehicle Reserve	996,876.44	0.00	0.00	12,333.33	0.00	1,009,209.77	
199 Police Retirement	86,013.06	76.90	0.00	0.00	1,041.67	85,048.29	
<b>SPECIAL REVENUES SUB-TOTAL</b>	<b>5,020,704.73</b>	<b>604,825.95</b>	<b>114,761.56</b>	<b>12,333.33</b>	<b>621,975.92</b>	<b>4,901,126.53</b>	
<b>200 DEBT SERVICE (SUB-TOTAL)</b>	<b>1,775,314.47</b>	<b>66,736.58</b>	<b>5,625.00</b>	<b>35,166.66</b>	<b>0.00</b>	<b>1,871,592.71</b>	
301 Capital Projects (General)	654,700.83	30,322.48	60,339.00	0.00	0.00	624,684.31	
321 Capital Projects (Streets)	123,045.12	593.00	2,785.37	0.00	0.00	120,852.75	
344 Community Athletic Facility	1,509.36	1.64	250.49	0.00	0.00	1,260.51	
353 Community ReDevelopment (D&D)	-54,832.89	0.00	0.00	0.00	0.00	-54,832.89	
<b>CAPITAL PROJECTS SUB-TOTAL</b>	<b>724,422.42</b>	<b>30,917.12</b>	<b>63,374.86</b>	<b>0.00</b>	<b>0.00</b>	<b>691,964.68</b>	
610 Sewer	686,659.75	0.00	80,111.44	137,800.00	37,102.26	707,246.05	
650 Stormwater Utility	543,781.16	16,740.44	700.00	0.00	5,050.00	554,771.60	
670 Recycling	93,107.67	18,201.06	16,096.22	0.00	1,541.67	93,670.84	
710 Sewer Capital Projects	587,225.84	308,634.05	8,253.00	0.00	209,616.66	677,990.23	
771 Sewer Reserve	114,238.70	0.00	0.00	0.00	0.00	114,238.70	
781 Sewer Plant Improvement	375,905.79	0.00	0.00	2,083.33	0.00	377,989.12	
791 Sewer Revenue Bonds	534,862.80	0.00	0.00	58,250.00	0.00	593,112.80	
820 Health Insurance	612,927.90	118,973.99	119,284.85	0.00	0.00	612,617.04	
830 Health Reimbursement Account	313,397.24	0.00	427.00	0.00	0.00	312,970.24	
840 Flex/STD	217,092.39	2,415.42	0.00	1,344.15	0.00	220,851.96	
850 Liability Insurance Reserve--City	27,893.04	23.80	622.45	0.00	0.00	27,294.39	
<b>CITY UTILITY &amp; IS SUB-TOTAL</b>	<b>4,107,092.28</b>	<b>464,988.76</b>	<b>225,494.96</b>	<b>199,477.48</b>	<b>253,310.59</b>	<b>4,292,752.97</b>	
<b>TOTAL CITY FUNDS</b>	<b>16,074,035.16</b>	<b>1,589,601.64</b>	<b>1,036,850.27</b>	<b>1,008,566.13</b>	<b>893,897.02</b>	<b>16,741,455.64</b>	<b>65%</b>
<b>TOTAL IMU FUNDS</b>	<b>9,064,269.98</b>	<b>1,612,061.78</b>	<b>1,671,520.70</b>	<b>153,525.01</b>	<b>268,194.12</b>	<b>8,890,141.95</b>	<b>35%</b>
<b>GRAND TOTAL CITY &amp; IMU</b>	<b>25,138,305.14</b>	<b>3,201,663.42</b>	<b>2,708,370.97</b>	<b>1,162,091.14</b>	<b>1,162,091.14</b>	<b>25,631,597.59</b>	
Cross Check Total						25,631,597.59	
<b>Investments</b>					Clerk's Balance	25,631,597.59	
Bankers Trust	\$ 19,267,674.46	1.88%					
Iowa Public Agency Inv. Trust	\$ 111,170.11	0.080%			Plus Outstanding Checks	82,965.62	
Payroll Account, City State Bank	\$ -	Earnings Credit					
Checking Account, City State Bank	\$ 241,427.57	Earnings Credit			Oustanding Deposit	-21,950.66	
Checking & Payroll Account, Community Bank	\$ -						
Sweep Account, City State Bank	\$ 6,069,688.90	0.40%					
Wells Fargo	\$ 2,651.51						
<b>BANK BALANCE</b>	<b>25,692,612.55</b>					<b>25,692,612.55</b>	

600 Water	75,315.24	220,392.34	89,128.30	0.00	106,055.07	100,524.21
620 IMU Administration	-120.00	0.00	0.00	0.00	0.00	-120.00
625 Revolving Economic Development	107,324.14	95.20	0.00	0.00	0.00	107,419.34
626 USDA RLF	375,000.00	0.00	0.00	0.00	0.00	375,000.00
630 Electric	2,540,430.90	1,177,654.41	1,071,453.80	22,566.67	159,062.21	2,510,135.97
640 Fiber/Communications	283,943.54	34,528.97	60,492.32	0.00	3,076.84	254,903.35
700 Water Capital Projects	1,038,171.82	0.00	7,813.15	35,991.67	0.00	1,066,350.34
730 Electric Capital Projects	3,705,933.70	179,378.04	165,595.63	0.00	0.00	3,719,716.11
740 Fiber/Comm Capital Projects	0.00	0.00	0.00	0.00	0.00	0.00
770 Water Reserve	135,000.00	0.00	0.00	0.00	0.00	135,000.00
773 Electric Reserve	0.00	0.00	0.00	0.00	0.00	0.00
780 Water Capital Improvement	75,000.00	0.00	0.00	0.00	0.00	75,000.00
783 Electric Improvement	0.00	0.00	0.00	0.00	0.00	0.00
790 Water Revenue Bonds	252,648.86	0.00	277,037.50	23,066.67	0.00	-1,321.97
793 Electric Revenue Bonds	460,713.07	0.00	0.00	71,900.00	0.00	532,613.07
855 Liability Insurance Reserve--IMU	14,908.71	12.82	0.00	0.00	0.00	14,921.53
<b>IMU SUB-TOTAL</b>	<b>9,064,269.98</b>	<b>1,612,061.78</b>	<b>1,671,520.70</b>	<b>153,525.01</b>	<b>268,194.12</b>	<b>8,890,141.95</b>

<u>INTEREST DISTRIBUTION</u>	INTEREST		CALYTD	FYTD
	INCOME	% OF TOTAL		
Electric Funds	\$ 6,208.42	33.91%	\$ 70,875.66	\$ 28,314.53
Water Funds	\$ 1,360.28	7.43%	\$ 15,622.24	\$ 6,345.06
Sewer Funds	\$ 1,554.35	8.49%	\$ 18,513.49	\$ 6,953.18
Police Retirement	\$ 76.90	0.42%	\$ 1,065.31	\$ 430.96
Community Redevelopment		0.00%	\$ -	\$ -
All other	\$ 9,108.03	49.75%	\$ 128,324.03	\$ 45,816.43
<b>TOTAL</b>	<b>\$ 18,307.98</b>	<b>100.00%</b>	<b>\$ 234,400.73</b>	<b>\$ 87,860.16</b>

CITY OF INDIANOLA IA  
REVENUES/EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

WATER OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEARNED	PCNT
<u>WATER</u>					
600-8100-43000 INTEREST	1,360.28	6,345.06	25,000.00	18,654.94	25.4
600-8100-43100 RENT--LAND & FACILITIES	.00	.00	3,100.00	3,100.00	.0
600-8100-43400 LEASE--UTILITY	3,375.00	16,275.00	38,000.00	21,725.00	42.8
600-8100-45001 ADMINISTRATIVE FEE--WATER	1,069.30	( 4,514.67)	20,000.00	24,514.67	( 22.6)
600-8100-45150 FIRE SERVICE FEES	.00	.00	8,500.00	8,500.00	.0
600-8100-45400 CONNECTION FEE	1,770.00	11,556.28	20,000.00	8,443.72	57.8
600-8100-45600 WATER SALES	198,371.39	989,270.93	2,139,000.00	1,149,729.07	46.3
600-8100-45601 CONSTRUCTION WATER	175.00	665.00	1,000.00	335.00	66.5
600-8100-45602 WATER METER FEES	1,800.00	9,020.00	20,000.00	10,980.00	45.1
600-8100-45603 OTHER WATER FEES	592.28	7,850.46	11,000.00	3,149.54	71.4
600-8100-46600 SPECIAL ASSESSMENT--WATER	.00	.00	1,000.00	1,000.00	.0
600-8100-47400 MISC SALES (COPIES/SCRAP/ETC)	.00	3,500.00	.00	( 3,500.00)	.0
600-8100-48900 SALES TAX	11,879.09	59,441.97	128,300.00	68,858.03	46.3
TOTAL WATER	220,392.34	1,099,410.03	2,414,900.00	1,315,489.97	45.5
TOTAL FUND REVENUE	220,392.34	1,099,410.03	2,414,900.00	1,315,489.97	45.5
<u>PLANT OPERATIONS</u>					
600-8110-60170 SALARY/WAGES--OPERATIONAL	14,788.39	77,980.43	159,400.00	81,419.57	48.9
600-8110-60180 SALARY/WAGES--SUPERINTENDENT	6,871.20	37,715.93	92,300.00	54,584.07	40.9
600-8110-61100 FICA	2,224.82	12,692.13	19,300.00	6,607.87	65.8
600-8110-61300 IPERS	2,607.65	14,875.46	22,500.00	7,624.54	66.1
600-8110-61420 DEFERRED COMP--457	540.00	2,700.00	6,600.00	3,900.00	40.9
600-8110-61810 UNIFORMS/CLOTHING ALLOWANCE	1,375.00	1,375.00	1,700.00	325.00	80.9
600-8110-62100 MEMBERSHIP DUES/SUBSCRIPTIONS	375.00	2,375.92	3,000.00	624.08	79.2
600-8110-62300 EDUCATION/TRAINING	118.00	1,185.59	7,000.00	5,814.41	16.9
600-8110-63710 UTILITIES	10,427.18	62,819.03	160,000.00	97,180.97	39.3
600-8110-63730 TELEPHONE	217.99	1,037.33	3,000.00	1,962.67	34.6
600-8110-64200 INSPECTIONS/TESTING	133.34	133.34	.00	( 133.34)	.0
600-8110-64900 MISC CONSULTING	.00	.00	500.00	500.00	.0
600-8110-64990 MISC CONTRACTUAL	617.50	5,516.00	12,000.00	6,484.00	46.0
600-8110-65010 CHEMICALS	5,680.12	22,396.85	70,000.00	47,603.15	32.0
600-8110-65012 LAB SUPPLIES/REAGENTS	.00	1,198.40	6,500.00	5,301.60	18.4
600-8110-65070 MATERIALS/SUPPLIES	.00	.00	1,000.00	1,000.00	.0
600-8110-65082 FREIGHT	.00	.00	5,000.00	5,000.00	.0
600-8110-65500 PERSONAL PROTECTIVE EQUIPMEN	.00	139.92	1,000.00	860.08	14.0
TOTAL PLANT OPERATIONS	45,976.19	244,141.33	570,800.00	326,658.67	42.8

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

WATER OPERATING FUND

		PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
	<u>PLANT MAINTENANCE</u>					
600-8120-63100	REPAIR/MAINT--BLDG/GROUNDS	.00	.00	2,500.00	2,500.00	.0
600-8120-63410	REPAIR/MAINT--EQUIPMENT	111.31	3,394.45	30,000.00	26,605.55	11.3
600-8120-64090	JANITORIAL SERVICES	243.37	1,375.28	3,500.00	2,124.72	39.3
600-8120-65070	MATERIALS/SUPPLIES	14.81	730.07	3,000.00	2,269.93	24.3
	TOTAL PLANT MAINTENANCE	369.49	5,499.80	39,000.00	33,500.20	14.1
	<u>WATER DISTRIBUTION</u>					
600-8150-60150	SALARY/WAGES--MAINTENANCE	7,556.61	50,980.82	159,400.00	108,419.18	32.0
600-8150-61100	FICA	.00	.00	12,200.00	12,200.00	.0
600-8150-61300	IPERS	.00	.00	14,300.00	14,300.00	.0
600-8150-63453	REPAIR/MAINT--SYSTEM	1,126.68	8,539.60	40,000.00	31,460.40	21.4
600-8150-64070	ENGINEERING	.00	.00	1,000.00	1,000.00	.0
600-8150-64900	MISC CONSULTING	.00	2,350.00	3,000.00	650.00	78.3
600-8150-65072	MATERIALS/SUPPLIES--MAINTENANC	1,555.61	5,831.26	25,000.00	19,168.74	23.3
	TOTAL WATER DISTRIBUTION	10,238.90	67,701.68	254,900.00	187,198.32	26.6
	<u>FLEET/VEHICLES</u>					
600-8160-63320	REPAIR/MAINT--VEHICLES	421.08	2,742.87	2,500.00	( 242.87)	109.7
600-8160-65050	VEHICLE OPERATING SUPPLIES	497.25	2,672.61	15,000.00	12,327.39	17.8
600-8160-65072	MATERIALS/SUPPLIES--MAINTENANC	14.55	270.98	1,500.00	1,229.02	18.1
	TOTAL FLEET/VEHICLES	932.88	5,686.46	19,000.00	13,313.54	29.9
	<u>METER READING</u>					
600-8170-60165	SALARY/WAGES--METER READ/REPA	2,644.37	9,564.07	13,000.00	3,435.93	73.6
600-8170-61100	FICA	119.09	417.09	1,000.00	582.91	41.7
600-8170-61300	IPERS	158.72	518.23	1,200.00	681.77	43.2
600-8170-64990	MISC CONTRACTUAL (ITRON)	.00	558.94	2,000.00	1,441.06	28.0
	TOTAL METER READING	2,922.18	11,058.33	17,200.00	6,141.67	64.3

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

WATER OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>OVERHEAD</u>					
600-8180-61430 EMPLOYEE ASSISTANCE PROGRAM	.00	126.00	100.00	( 26.00)	126.0
600-8180-61440 WELLNESS PROGRAM	100.00	500.00	1,500.00	1,000.00	33.3
600-8180-61500 HEALTH INSURANCE	8,444.96	42,224.80	100,700.00	58,475.20	41.9
600-8180-61501 DENTAL INSURANCE	.00	.00	5,800.00	5,800.00	.0
600-8180-61502 VISION INSURANCE	.00	.00	600.00	600.00	.0
600-8180-61550 LIFE INSURANCE/ADD/LTD	150.71	627.47	1,500.00	872.53	41.8
600-8180-61599 WORKERS' COMP INSURANCE	.00	5,542.00	10,000.00	4,458.00	55.4
600-8180-64081 INSURANCE--AUTO	.00	2,226.00	2,400.00	174.00	92.8
600-8180-64082 INSURANCE--GENERAL LIABILITY	.00	3,920.00	5,000.00	1,080.00	78.4
600-8180-64083 INSURANCE--PROPERTY	.00	11,047.00	12,000.00	953.00	92.1
600-8180-64084 INSURANCE--BOILER/MACHINERY	.00	2,909.00	3,000.00	91.00	97.0
600-8180-64121 DRUG & ALCOHOL TESTING	.00	53.00	500.00	447.00	10.6
600-8180-64180 SALES TAX	12,008.05	60,266.72	128,300.00	68,033.28	47.0
600-8180-69550 TRANSFER OUT--STD	92.70	463.50	1,200.00	736.50	38.6
600-8180-69825 TRANSFER OUT HRA	.00	7,800.00	7,800.00	.00	100.0
TOTAL OVERHEAD	20,796.42	137,705.49	280,400.00	142,694.51	49.1

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

WATER OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>ADMIN/GENERAL</u>					
600-8190-60110 SALARIES--ADMINISTRATION	3,269.06	17,915.69	.00 (	17,915.69)	.0
600-8190-60130 SALARIES--CLERICAL	.00	284.30	.00 (	284.30)	.0
600-8190-60165 SALARY NETWORK ASSOCIATE 1	.00	166.25	.00 (	166.25)	.0
600-8190-61100 FICA	251.28	1,410.59	.00 (	1,410.59)	.0
600-8190-61300 IPERS	290.38	1,631.59	.00 (	1,631.59)	.0
600-8190-61420 DEFERRED COMP--457	80.78	403.86	.00 (	403.86)	.0
600-8190-61440 WELLNESS PROGRAM	4.75	42.75	.00 (	42.75)	.0
600-8190-61500 HEALTH INSURANCE	761.79	3,047.16	.00 (	3,047.16)	.0
600-8190-61501 DENTAL INSURANCE	56.46	265.21	.00 (	265.21)	.0
600-8190-61502 VISION INSURANCE	2.70	14.86	.00 (	14.86)	.0
600-8190-61599 WORKERS' COMP INSURANCE	.00	218.86	.00 (	218.86)	.0
600-8190-62100 MEMBERSHIP DUES/SUBSCRIPTIONS	.00	630.00	.00 (	630.00)	.0
600-8190-63730 TELEPHONE	610.79	1,993.46	.00 (	1,993.46)	.0
600-8190-64010 AUDITS	1,100.00	2,300.00	.00 (	2,300.00)	.0
600-8190-64020 ADVERTISING & LEGAL NOTICES	42.75	238.44	.00 (	238.44)	.0
600-8190-64082 INSURANCE--GENERAL LIABILITY	.00	676.28	.00 (	676.28)	.0
600-8190-64110 LEGAL SERVICE FEES	256.05	436.05	.00 (	436.05)	.0
600-8190-64500 FINANCIAL MANAGEMENT SERVICES	.00	326.62	.00 (	326.62)	.0
600-8190-64990 MISC CONTRACTUAL	676.44	3,368.31	1,000.00 (	2,368.31)	336.8
600-8190-65070 MATERIALS/SUPPLIES	82.33	177.20	.00 (	177.20)	.0
600-8190-65077 MATERIALS/SUPPLIES--PROMOTION	.00	16.06	.00 (	16.06)	.0
600-8190-65080 POSTAGE	.00	53.84	.00 (	53.84)	.0
600-8190-66990 REFUND/REIMBURSEMENT	15.00	60.00	500.00	440.00	12.0
600-8190-67240 COMPUTER HARDWARE/SOFTWARE	.00	270.00	.00 (	270.00)	.0
600-8190-69550 TRANSFER OUT--STD	8.81	44.05	.00 (	44.05)	.0
600-8190-69620 TRANSFER OUT CITY CLERK'S OFFI	4,382.16	21,910.80	.00 (	21,910.80)	.0
600-8190-69621 TRANSFER OUT INFO & TECH	979.34	4,896.70	.00 (	4,896.70)	.0
600-8190-69625 TRANSFER OUT HUMAN RESOURCE	442.05	1,768.20	.00 (	1,768.20)	.0
600-8190-69825 TRANSFER OUT HRA	.00	780.00	.00 (	780.00)	.0
600-8190-69880 TRANSFER OUT--IMU ADMINISTRATI	.00	442.05	.00 (	442.05)	.0
TOTAL ADMIN/GENERAL	13,312.92	65,789.18	1,500.00 (	64,289.18)	4386.0
<u>DEPARTMENT 8192</u>					
600-8192-64990 MISC CONTRACTUAL	484.38	854.33	.00 (	854.33)	.0
TOTAL DEPARTMENT 8192	484.38	854.33	.00 (	854.33)	.0
<u>IMU TRANSFERS</u>					
600-8197-69880 TRANSFER OUT--IMU ADMINISTRATI	.00	.00	207,800.00	207,800.00	.0
600-8197-69900 TRANSFER OUT--WATER IMPROVE	71,733.34	358,666.70	860,800.00	502,133.30	41.7
600-8197-69910 TRANSFER OUT--WATER REV BONDS	23,066.67	115,333.35	276,800.00	161,466.65	41.7
TOTAL IMU TRANSFERS	94,800.01	474,000.05	1,345,400.00	871,399.95	35.2

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

WATER OPERATING FUND

		PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
	<u>CITY TRANSFERS</u>					
600-8198-69101	TRANSFER OUT PILOT	5,350.00	26,750.00	64,200.00	37,450.00	41.7
	TOTAL CITY TRANSFERS	5,350.00	26,750.00	64,200.00	37,450.00	41.7
	<u>DEPARTMENT 8299</u>					
600-8299-64850	SPONSORSHIP/SUPPORT	.00	7,996.50	.00	( 7,996.50)	.0
	TOTAL DEPARTMENT 8299	.00	7,996.50	.00	( 7,996.50)	.0
	TOTAL FUND EXPENDITURES	195,183.37	1,047,183.15	2,592,400.00	1,545,216.85	40.4
	NET REVENUE OVER EXPENDITURES	25,208.97	52,226.88	( 177,500.00)	( 229,726.88)	29.4

CITY OF INDIANOLA IA  
REVENUES/EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

ELECTRIC OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEARNED	PCNT
<u>ELECTRIC</u>					
630-8200-40650 POLE FRANCHISE FEES	.00	10,780.00	20,000.00	9,220.00	53.9
630-8200-43000 INTEREST	5,827.60	26,538.91	100,000.00	73,461.09	26.5
630-8200-45001 ADMINISTRATIVE FEE--ELECTRIC	3,238.67	12,250.11	20,000.00	7,749.89	61.3
630-8200-45400 CONNECTION FEE	2,262.90	12,137.45	25,000.00	12,862.55	48.6
630-8200-45405 DISCONNECT FEE	3,906.15	21,791.70	45,000.00	23,208.30	48.4
630-8200-45450 COLLECTION SERVICE RECOVERY	.00	213.00	300.00	87.00	71.0
630-8200-45550 RETURN CHECK FEE	330.00	1,800.00	2,500.00	700.00	72.0
630-8200-45629 MISO TRANSMISSION REVENUE	11,668.50	49,862.83	90,000.00	40,137.17	55.4
630-8200-45630 ELECTRIC SERVICE FEES	1,112,010.53	6,278,880.59	13,401,400.00	7,122,519.41	46.9
630-8200-45631 PEAKING POWER & ENERGY	.00	15,424.70	40,000.00	24,575.30	38.6
630-8200-45632 PEAK CAPACITY CONTRACT	13,254.20	66,271.00	88,800.00	22,529.00	74.6
630-8200-45633 SUBSTATION CAPACITY	1,482.00	8,892.00	17,500.00	8,608.00	50.8
630-8200-45634 ELECTRIC SERVICE--CONSTRUCTIO	500.00	1,900.00	3,000.00	1,100.00	63.3
630-8200-45635 ELECTRIC SERVICE--TEMPORARY	175.00	1,846.07	1,000.00	( 846.07)	184.6
630-8200-45636 ELECTRIC METER FEES	600.00	2,000.00	5,000.00	3,000.00	40.0
630-8200-45637 CASH ADJUSTMENT	( 92.63)	42.06	.00	( 42.06)	.0
630-8200-45639 RENEWABLE ENERGY CONTRIBUTIO	1,375.94	6,719.78	15,000.00	8,280.22	44.8
630-8200-47100 REFUNDS/REIMBURSEMENTS	397.50	342,670.39	.00	( 342,670.39)	.0
630-8200-47106 PROJECT SHARE CONTRIBUTIONS	115.00	175.00	.00	( 175.00)	.0
630-8200-47400 MISC SALES (COPIES/SCRAP/ETC)	.00	1,375.00	5,000.00	3,625.00	27.5
630-8200-48900 SALES TAX	20,603.05	123,898.94	224,700.00	100,801.06	55.1
630-8200-49900 TRANSFER IN--WATER IMPROVE	22,566.67	112,833.35	270,800.00	157,966.65	41.7
TOTAL ELECTRIC	1,200,221.08	7,098,302.88	14,375,000.00	7,276,697.12	49.4
TOTAL FUND REVENUE	1,200,221.08	7,098,302.88	14,375,000.00	7,276,697.12	49.4

PLANT OPERATIONS

630-8210-60170 SALARY/WAGES--OPERATIONAL	2,334.53	18,912.38	66,600.00	47,687.62	28.4
630-8210-61100 FICA	1,033.09	4,563.48	10,200.00	5,636.52	44.7
630-8210-61300 IPERS	774.95	4,849.93	11,900.00	7,050.07	40.8
630-8210-61420 DEFERRED COMP--457	75.00	375.00	1,800.00	1,425.00	20.8
630-8210-61810 UNIFORMS/CLOTHING ALLOWANCE	825.00	825.00	600.00	( 225.00)	137.5
630-8210-62300 EDUCATION/TRAINING	295.72	346.72	1,000.00	653.28	34.7
630-8210-63710 UTILITIES	2,262.28	12,771.43	42,000.00	29,228.57	30.4
630-8210-64900 MISC CONSULTING	164.00	450.88	5,000.00	4,549.12	9.0
630-8210-65049 FUEL	.00	.00	5,000.00	5,000.00	.0
630-8210-65500 PERSONAL PROTECTIVE EQUIPMEN	.00	124.91	2,500.00	2,375.09	5.0
TOTAL PLANT OPERATIONS	7,764.57	43,219.73	146,600.00	103,380.27	29.5



CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

ELECTRIC OPERATING FUND

		PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
	<u>PLANT MAINTENANCE</u>					
630-8220-60150	SALARY/WAGES--MAINTENANCE	9,519.74	34,316.96	66,600.00	32,283.04	51.5
630-8220-61100	FICA	170.84	399.66	.00	( 399.66)	.0
630-8220-61300	IPERS	411.20	797.94	.00	( 797.94)	.0
630-8220-63100	REPAIR/MAINT--BLDG/GROUNDS	742.09	1,210.70	20,000.00	18,789.30	6.1
630-8220-63410	REPAIR/MAINT--EQUIPMENT	.00	.00	10,000.00	10,000.00	.0
630-8220-64090	JANITORIAL SERVICES	1,946.40	9,461.34	22,000.00	12,538.66	43.0
630-8220-64200	INSPECTIONS/TESTING	3,820.52	3,860.52	4,000.00	139.48	96.5
630-8220-65072	MATERIALS/SUPPLIES--MAINTENANC	209.72	6,773.98	23,000.00	16,226.02	29.5
	TOTAL PLANT MAINTENANCE	16,820.51	56,821.10	145,600.00	88,778.90	39.0
	<u>TURBINES</u>					
630-8225-63410	REPAIR/MAINT--EQUIPMENT	65.41	8,347.30	25,000.00	16,652.70	33.4
630-8225-64990	MISC CONTRACTUAL	.00	.00	1,000.00	1,000.00	.0
630-8225-65049	FUEL	.00	.00	50,000.00	50,000.00	.0
	TOTAL TURBINES	65.41	8,347.30	76,000.00	67,652.70	11.0
	<u>PURCHASED ENERGY</u>					
630-8230-63990	RENEWABLE ENERGY PURCHASED	32,537.00	134,945.00	404,000.00	269,055.00	33.4
630-8230-63991	ELECTRIC ENERGY PURCHASED (BU	766,065.88	3,970,550.59	9,476,300.00	5,505,749.41	41.9
630-8230-63992	TRANSMISSION FEES	76,421.79	434,699.30	705,000.00	270,300.70	61.7
	TOTAL PURCHASED ENERGY	875,024.67	4,540,194.89	10,585,300.00	6,045,105.11	42.9
	<u>DISTRIBUTION OPERATIONS</u>					
630-8240-60180	SALARY/WAGES--SUPERINTENDENT	6,688.00	36,546.88	87,600.00	51,053.12	41.7
630-8240-61100	FICA	516.52	2,832.79	6,700.00	3,867.21	42.3
630-8240-61300	IPERS	597.24	3,278.25	7,900.00	4,621.75	41.5
630-8240-61420	DEFERRED COMP--457	175.00	1,137.50	2,100.00	962.50	54.2
630-8240-61501	DENTAL INSURANCE	88.88	266.64	.00	( 266.64)	.0
630-8240-61502	VISION INSURANCE	7.12	28.48	.00	( 28.48)	.0
630-8240-61810	UNIFORMS/CLOTHING ALLOWANCE	3,025.00	3,025.00	3,300.00	275.00	91.7
630-8240-62300	EDUCATION/TRAINING	59.00	2,924.45	10,000.00	7,075.55	29.2
630-8240-63710	UTILITIES	12.16	64.11	5,000.00	4,935.89	1.3
630-8240-63730	TELEPHONE	754.85	3,269.78	6,000.00	2,730.22	54.5
630-8240-64900	MISC CONSULTING SERVICES	.00	.00	5,000.00	5,000.00	.0
630-8240-65500	PERSONAL PROTECTIVE EQUIPMEN	302.35	1,859.65	15,000.00	13,140.35	12.4
630-8240-65990	MISCELLANEOUS	.00	.00	1,500.00	1,500.00	.0
	TOTAL DISTRIBUTION OPERATIONS	12,226.12	55,233.53	150,100.00	94,866.47	36.8

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

ELECTRIC OPERATING FUND

		PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>DISTRIBUTION MAINTENANCE</u>						
630-8250-60150	SALARY/WAGES--MAINTENANCE	42,039.66	235,709.29	710,700.00	474,990.71	33.2
630-8250-61100	FICA	2,980.87	17,704.62	5,440.00	( 12,264.62)	325.5
630-8250-61300	IPERS	3,745.36	20,965.83	63,500.00	42,534.17	33.0
630-8250-61420	DEFERRED COMP--457	505.00	2,525.00	10,800.00	8,275.00	23.4
630-8250-63423	REPAIR/MAINT--STREET LIGHTS	446.48	29,810.51	25,000.00	( 4,810.51)	119.2
630-8250-63453	REPAIR/MAINT--SYSTEM	127.30	127.30	30,000.00	29,872.70	.4
630-8250-64200	INSPECTIONS/TESTING	5,994.23	10,857.07	25,000.00	14,142.93	43.4
630-8250-64750	BORING	1,200.00	31,600.00	30,000.00	( 1,600.00)	105.3
630-8250-64990	MISC CONTRACTUAL	930.00	3,197.00	30,000.00	26,803.00	10.7
630-8250-65072	MATERIALS/SUPPLIES--MAINTENANC	5,953.37	20,879.92	130,000.00	109,120.08	16.1
	TOTAL DISTRIBUTION MAINTENANCE	63,922.27	373,376.54	1,060,440.00	687,063.46	35.2
<u>TRANSMISSION</u>						
630-8255-60150	SALARY/WAGES--MAINTENANCE	94.41	1,676.97	11,500.00	9,823.03	14.6
630-8255-61100	FICA	.27	.38	900.00	899.62	.0
630-8255-61300	IPERS	22.33	35.09	1,000.00	964.91	3.5
630-8255-63100	REPAIR/MAINT--BLDG/GROUNDS	.00	5,050.74	.00	( 5,050.74)	.0
630-8255-65072	MATERIALS/SUPPLIES-MAINTENANC	.00	943.40	.00	( 943.40)	.0
630-8255-65990	MISCELLANEOUS	.00	435.50	500.00	64.50	87.1
	TOTAL TRANSMISSION	117.01	8,142.08	13,900.00	5,757.92	58.6
<u>FLEET/VEHICLES</u>						
630-8260-63320	REPAIR/MAINT--VEHICLES	338.89	17,321.89	40,000.00	22,678.11	43.3
630-8260-65050	VEHICLE OPERATING SUPPLIES	1,291.80	6,493.56	30,000.00	23,506.44	21.7
630-8260-65072	MATERIALS/SUPPLIES--MAINTENANC	420.62	1,800.84	8,000.00	6,199.16	22.5
	TOTAL FLEET/VEHICLES	2,051.31	25,616.29	78,000.00	52,383.71	32.8
<u>METER READING</u>						
630-8270-60165	SALARY/WAGES--METER READ/REPA	2,644.37	12,672.46	40,800.00	28,127.54	31.1
630-8270-61100	FICA	119.11	652.79	3,200.00	2,547.21	20.4
630-8270-61300	IPERS	158.71	786.50	3,700.00	2,913.50	21.3
630-8270-61810	UNIFORMS/CLOTHING ALLOWANCE	.00	.00	1,000.00	1,000.00	.0
630-8270-64020	ADVERTISING & LEGAL NOTICES	.00	.00	800.00	800.00	.0
630-8270-64990	MISC CONTRACTUAL	.00	558.93	3,000.00	2,441.07	18.6
	TOTAL METER READING	2,922.19	14,670.68	52,500.00	37,829.32	27.9

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

ELECTRIC OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>OVERHEAD</u>					
630-8280-61430 EMPLOYEE ASSISTANCE PROGRAM	.00	288.00	400.00	112.00	72.0
630-8280-61440 WELLNESS PROGRAM	75.00	498.00	1,200.00	702.00	41.5
630-8280-61500 HEALTH INSURANCE	16,148.06	82,558.60	242,000.00	159,441.40	34.1
630-8280-61501 DENTAL INSURANCE	.00	.00	13,600.00	13,600.00	.0
630-8280-61502 VISION INSURANCE	.00	.00	1,300.00	1,300.00	.0
630-8280-61550 LIFE INSURANCE/ADD/LTD	326.77	1,494.85	3,000.00	1,505.15	49.8
630-8280-61599 WORKERS' COMP INSURANCE	.00	10,163.00	20,000.00	9,837.00	50.8
630-8280-64081 INSURANCE--AUTO	.00	7,528.00	8,000.00	472.00	94.1
630-8280-64082 INSURANCE--GENERAL LIABILITY	.00	10,130.00	10,500.00	370.00	96.5
630-8280-64083 INSURANCE--PROPERTY	.00	43,908.00	45,000.00	1,092.00	97.6
630-8280-64084 INSURANCE--BOILER/MACHINERY	.00	43,307.00	45,000.00	1,693.00	96.2
630-8280-64121 DRUG & ALCOHOL TESTING	741.00	741.00	1,000.00	259.00	74.1
630-8280-64180 SALES TAX	20,658.33	124,319.33	251,900.00	127,580.67	49.4
630-8280-64181 USE TAX	.00	1,359.00	3,000.00	1,641.00	45.3
630-8280-69550 TRANSFER OUT--STD	216.30	1,050.60	2,800.00	1,749.40	37.5
630-8280-69825 TRANSFER OUT HRA	.00	18,200.00	19,500.00	1,300.00	93.3
TOTAL OVERHEAD	38,165.46	345,545.38	668,200.00	322,654.62	51.7

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

ELECTRIC OPERATING FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>ADMIN/GENERAL</u>					
630-8290-60110 SALARIES--ADMINISTRATION	12,387.88	67,890.68	.00 (	67,890.68)	.0
630-8290-60130 SALARIES--CLERICAL	.00	1,077.35	.00 (	1,077.35)	.0
630-8290-60165 SALARY NETWORK ASSOCIATE 1	.00	629.98	.00 (	629.98)	.0
630-8290-61100 FICA	951.90	5,344.18	.00 (	5,344.18)	.0
630-8290-61300 IPERS	1,100.32	6,182.57	.00 (	6,182.57)	.0
630-8290-61420 DEFERRED COMP-457	305.96	1,529.84	.00 (	1,529.84)	.0
630-8290-61440 WELLNESS PROGRAM	18.01	162.04	.00 (	162.04)	.0
630-8290-61500 HEALTH INSURANCE	2,886.79	11,547.17	.00 (	11,547.17)	.0
630-8290-61501 DENTAL INSURANCE	213.96	1,005.04	.00 (	1,005.04)	.0
630-8290-61502 VISION INSURANCE	10.26	56.42	.00 (	56.42)	.0
630-8290-61599 WORKERS' COMP INSURANCE	.00	829.36	.00 (	829.36)	.0
630-8290-62100 MEMBERSHIP DUES/SUBSCRIPTIONS	1,200.00	15,943.00	.00 (	15,943.00)	.0
630-8290-62300 EDUCATION/TRAINING	159.88	428.29	.00 (	428.29)	.0
630-8290-62700 MILEAGE	653.40	653.40	.00 (	653.40)	.0
630-8290-63730 TELEPHONE	554.46	3,907.08	.00 (	3,907.08)	.0
630-8290-64010 AUDITS	4,100.00	7,200.00	.00 (	7,200.00)	.0
630-8290-64020 ADVERTISING & LEGAL NOTICES	162.00	2,297.61	.00 (	2,297.61)	.0
630-8290-64082 INSURANCE--GENERAL LIABILITY	.00	2,535.66	.00 (	2,535.66)	.0
630-8290-64110 LEGAL SERVICE FEES	279.90	1,221.29	.00 (	1,221.29)	.0
630-8290-64180 SALES TAX	.00	1.80	.00 (	1.80)	.0
630-8290-64500 FINANCIAL MANAGEMENT SERVICES	.00	1,143.18	.00 (	1,143.18)	.0
630-8290-64900 MISC CONSULTING SERVICES	5,119.59	7,984.98	5,000.00 (	2,984.98)	159.7
630-8290-64990 MISC CONTRACTUAL	2,128.10	11,628.14	1,000.00 (	10,628.14)	1162.8
630-8290-65070 MATERIALS/SUPPLIES	7,179.62	7,985.16	.00 (	7,985.16)	.0
630-8290-65077 MATERIALS/SUPPLIES--PROMOTION	.00	152.20	.00 (	152.20)	.0
630-8290-65080 POSTAGE	42.07	174.50	.00 (	174.50)	.0
630-8290-66990 REFUND/REIMBURSEMENT	15.00	283.95	500.00	216.05	56.8
630-8290-67240 COMPUTER HARDWARE/SOFTWARE	2,442.73	3,137.72	.00 (	3,137.72)	.0
630-8290-67306 ENERGY EFFICIENCY PROGRAM	10,194.34	29,325.85	50,000.00	20,674.15	58.7
630-8290-69550 TRANSFER OUT--STD	33.37	166.85	.00 (	166.85)	.0
630-8290-69620 TRANSFER OUT--CITY CLERK'S OFF	18,989.39	94,946.96	.00 (	94,946.96)	.0
630-8290-69621 TRANSFER OUT INFO & TECH	4,243.82	21,219.10	.00 (	21,219.10)	.0
630-8290-69625 TRANSFER OUT HUMAN RESOURCE	1,915.58	7,662.32	.00 (	7,662.32)	.0
630-8290-69825 TRANSFER OUT HRA	.00	2,730.00	.00 (	2,730.00)	.0
630-8290-69880 TRANSFER OUT--IMU ADMINISTRATI	.00	1,915.57	.00 (	1,915.57)	.0
TOTAL ADMIN/GENERAL	77,288.33	320,899.24	56,500.00 (	264,399.24)	568.0
<u>DEPARTMENT 8291</u>					
630-8291-62700 MILEAGE	.00	462.24	.00 (	462.24)	.0
TOTAL DEPARTMENT 8291	.00	462.24	.00 (	462.24)	.0

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

ELECTRIC OPERATING FUND

		PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
	<u>DEPARTMENT 8292</u>					
630-8292-64990	MISC CONTRACTUAL	484.41	1,888.47	.00	( 1,888.47)	.0
	TOTAL DEPARTMENT 8292	484.41	1,888.47	.00	( 1,888.47)	.0
	<u>IMU TRANSFER</u>					
630-8297-69713	TRANSFER OUT--ELECTRIC REVENUE	71,900.00	359,500.00	862,800.00	503,300.00	41.7
630-8297-69880	TRANSFER OUT--IMU ADMINISTRATIVE	.00	.00	787,600.00	787,600.00	.0
	TOTAL IMU TRANSFER	71,900.00	359,500.00	1,650,400.00	1,290,900.00	21.8
	<u>CITY TRANSFERS &amp; PILOT</u>					
630-8298-69101	TRANSFER OUT PILOT	61,763.75	308,818.75	670,100.00	361,281.25	46.1
	TOTAL CITY TRANSFERS & PILOT	61,763.75	308,818.75	670,100.00	361,281.25	46.1
	<u>ECONOMIC DEVELOPMENT TRANSFERS</u>					
630-8299-64850	SPONSORSHIP/SUPPORT	.00	.00	35,000.00	35,000.00	.0
	TOTAL ECONOMIC DEVELOPMENT TRANSFERS	.00	.00	35,000.00	35,000.00	.0
	TOTAL FUND EXPENDITURES	1,230,516.01	6,462,736.22	15,388,640.00	8,925,903.78	42.0
	NET REVENUE OVER EXPENDITURES	( 30,294.93)	635,566.66	( 1,013,640.00)	( 1,649,206.66)	62.7

CITY OF INDIANOLA IA  
REVENUES/EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

FIBER/COMMUNICATIONS FUND

		PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEARNED	PCNT
	<u>FIBER/COMMUNICATIONS</u>					
640-8550-40650	COMMUNICATIONS FRANCHISE FEES	2,528.75	4,830.73	.00 (	4,830.73)	.0
640-8550-43000	INTEREST	272.80	1,242.23	5,000.00	3,757.77	24.8
640-8550-43400	LEASE--UTILITY	31,727.42	151,374.56	315,000.00	163,625.44	48.1
	<u>TOTAL FIBER/COMMUNICATIONS</u>	<u>34,528.97</u>	<u>157,447.52</u>	<u>320,000.00</u>	<u>162,552.48</u>	<u>49.2</u>
	 <u>TOTAL FUND REVENUE</u>	 <u>34,528.97</u>	 <u>157,447.52</u>	 <u>320,000.00</u>	 <u>162,552.48</u>	 <u>49.2</u>

	<u>FIBER/COMMUNICATIONS</u>					
640-8550-60165	SALARY METER READERS	.00	874.98	12,400.00	11,525.02	7.1
640-8550-61100	FICA-CITY CONTRIBUTION	.00	65.23	1,000.00	934.77	6.5
640-8550-61300	IPERS CONTRIBUTION	.00	78.13	1,200.00	1,121.87	6.5
640-8550-61810	UNIFORMS/CLOTHING ALLOWANCE	275.00	275.00	.00 (	275.00)	.0
640-8550-62300	EDUCATION/TRAINING	70.00	92.10	.00 (	92.10)	.0
640-8550-63464	REPAIR/MAINT--FIBER	740.01	6,090.35	15,000.00	8,909.65	40.6
640-8550-64110	LEGAL SERVICE FEES	4.05	4.05	5,000.00	4,995.95	.1
640-8550-64150	EXPENSES-LEASES	50,543.28	87,580.74	205,000.00	117,419.26	42.7
640-8550-64900	MISC CONSULTING	1,575.00	11,565.00	2,500.00 (	9,065.00)	462.6
640-8550-64990	MISC CONTRACTUAL	.00	134.10	3,000.00	2,865.90	4.5
	<u>TOTAL FIBER/COMMUNICATIONS</u>	<u>53,207.34</u>	<u>106,759.68</u>	<u>245,100.00</u>	<u>138,340.32</u>	<u>43.6</u>

CITY OF INDIANOLA IA  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

FIBER/COMMUNICATIONS FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEXPENDED	PCNT
<u>DEPARTMENT 8590</u>					
640-8590-60110 SALARIES--ADMINISTRATION	1,548.47	8,486.33	.00 (	8,486.33)	.0
640-8590-60130 SALARIES--CLERICAL	.00	134.67	.00 (	134.67)	.0
640-8590-60165 SALARY NETWORK ASSOCIATE 1	3,534.56	16,017.42	.00 (	16,017.42)	.0
640-8590-61100 FICA	382.54	1,860.02	.00 (	1,860.02)	.0
640-8590-61300 IPERS	453.16	2,196.06	.00 (	2,196.06)	.0
640-8590-61420 DEFERRED COMP--457	38.26	191.30	.00 (	191.30)	.0
640-8590-61430 EMPLOYEE ASSISTANCE PROGRAM	.00	18.00	.00 (	18.00)	.0
640-8590-61440 WELLNESS PROGRAM	2.24	20.21	.00 (	20.21)	.0
640-8590-61500 HEALTH INSURANCE	360.86	1,443.43	.00 (	1,443.43)	.0
640-8590-61501 DENTAL INSURANCE	26.76	125.69	.00 (	125.69)	.0
640-8590-61502 VISION INSURANCE	1.28	7.04	.00 (	7.04)	.0
640-8590-61550 LIFE INSURANCE/ADD/LTD	8.33	36.79	.00 (	36.79)	.0
640-8590-61599 WORKERS' COMP INSURANCE	.00	214.67	.00 (	214.67)	.0
640-8590-62100 MEMBERSHIP DUES/SUBSCRIPTIONS	.00	225.00	.00 (	225.00)	.0
640-8590-63730 TELEPHONE	457.10	1,296.26	.00 (	1,296.26)	.0
640-8590-64020 ADVERTISING & LEGAL NOTICES	20.25	113.93	.00 (	113.93)	.0
640-8590-64082 INSURANCE--GENERAL LIABILITY	.00	322.80	.00 (	322.80)	.0
640-8590-64110 LEGAL SERVICE FEES	135.00	1,276.50	.00 (	1,276.50)	.0
640-8590-64500 FINANCIAL MANAGEMENT SERVICES	.00	163.31	.00 (	163.31)	.0
640-8590-64900 MISC CONSULTING SERVICES	27.16	54.32	.00 (	54.32)	.0
640-8590-64990 MISC CONTRACTUAL	250.01	1,182.16	.00 (	1,182.16)	.0
640-8590-65070 MATERIALS/SUPPLIES	39.00	76.30	.00 (	76.30)	.0
640-8590-65077 MATERIALS/SUPPLIES--PROMOTION	.00	1.36	.00 (	1.36)	.0
640-8590-65080 POSTAGE	.00	26.16	.00 (	26.16)	.0
640-8590-69550 TRANSFER OUT--STD	4.17	20.85	.00 (	20.85)	.0
640-8590-69620 TRANSFER OUT--CITY CLERK'S OFF	2,320.12	11,600.60	.00 (	11,600.60)	.0
640-8590-69621 TRANSFER OUT INFO & TECH	518.51	2,592.55	.00 (	2,592.55)	.0
640-8590-69625 TRANSFER OUT HUMAN RESOURCE	234.04	936.16	.00 (	936.16)	.0
640-8590-69825 TRANSFER OUT HRA	.00	390.00	.00 (	390.00)	.0
640-8590-69880 TRANSFER OUT--IMU ADMINISTRATI	.00	234.04	.00 (	234.04)	.0
TOTAL DEPARTMENT 8590	10,361.82	51,263.93	.00 (	51,263.93)	.0
<u>IMU TRANSFER</u>					
640-8597-69650 TRANSFER OUT FRANCHISE FEES	.00	4,830.73	10,000.00	5,169.27	48.3
640-8597-69880 TRANSFER OUT--IMU ADMINISTRATI	.00	.00	98,500.00	98,500.00	.0
TOTAL IMU TRANSFER	.00	4,830.73	108,500.00	103,669.27	4.5
TOTAL FUND EXPENDITURES	63,569.16	162,854.34	353,600.00	190,745.66	46.1
NET REVENUE OVER EXPENDITURES	( 29,040.19)	( 5,406.82)	( 33,600.00)	( 28,193.18)	( 16.1)

CITY OF INDIANOLA IA  
REVENUES/EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

WATER CAPITAL PROJECTS FUND

		PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEARNED	PCNT
	<u>WATER CAPITAL PROJECTS</u>					
700-8100-48000	SALE OF LAND/ALLEYS	.00	20,000.00	20,000.00	.00	100.0
700-8100-49900	TRANSFER IN--WATER IMPROVE	35,991.67	179,958.35	431,900.00	251,941.65	41.7
	<u>TOTAL WATER CAPITAL PROJECTS</u>	<u>35,991.67</u>	<u>199,958.35</u>	<u>451,900.00</u>	<u>251,941.65</u>	<u>44.3</u>
	 TOTAL FUND REVENUE	 <u>35,991.67</u>	 <u>199,958.35</u>	 <u>451,900.00</u>	 <u>251,941.65</u>	 <u>44.3</u>
	 <u>WATER CAPITAL PROJECTS</u>					
700-8100-67100	VEHICLES	.00	37,191.97	40,000.00	2,808.03	93.0
700-8100-67402	WATER TOWERS	.00	72,108.34	500,000.00	427,891.66	14.4
700-8100-67403	WELL MAINTENANCE	4,046.30	4,046.30	.00	( 4,046.30)	.0
700-8100-67405	VALVES/HYDRANT REPLACEMENT	.00	.00	15,000.00	15,000.00	.0
700-8100-67905	METERS (NON-RADIO READ)	3,450.85	9,041.16	30,000.00	20,958.84	30.1
700-8100-67906	MATERIALS--STOCK/INVENTORY	316.00	101.79	.00	( 101.79)	.0
	<u>TOTAL WATER CAPITAL PROJECTS</u>	<u>7,813.15</u>	<u>122,489.56</u>	<u>585,000.00</u>	<u>462,510.44</u>	<u>20.9</u>
	 TOTAL FUND EXPENDITURES	 <u>7,813.15</u>	 <u>122,489.56</u>	 <u>585,000.00</u>	 <u>462,510.44</u>	 <u>20.9</u>
	 NET REVENUE OVER EXPENDITURES	 <u><u>28,178.52</u></u>	 <u><u>77,468.79</u></u>	 <u><u>( 133,100.00)</u></u>	 <u><u>( 210,568.79)</u></u>	 <u><u>58.2</u></u>



CITY OF INDIANOLA IA  
REVENUES/EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 5 MONTHS ENDING NOVEMBER 30, 2016

ELECTRIC CAPITAL PROJECTS FUND

	PERIOD ACTUAL	YTD ACTUAL	AMENDED BUDGET	UNEARNED	PCNT
<u>ELECTRIC CAPITAL PROJECTS</u>					
730-8200-45629 MISO TRANSMISSION REVENUE	47,366.26	203,724.07	386,000.00	182,275.93	52.8
730-8200-45632 PEAK CAPACITY CONTRACT	53,016.80	265,084.00	355,200.00	90,116.00	74.6
730-8200-45633 SUBSTATION CAPACITY	5,928.00	35,568.00	71,100.00	35,532.00	50.0
730-8200-45638 ELECTRIC INSTALL FEE	22,523.70	110,416.65	100,000.00	( 10,416.65)	110.4
730-8200-45853 FIBER SERVICE INSTALLATIONS	50,543.28	92,265.74	205,000.00	112,734.26	45.0
730-8200-47100 REFUNDS/REIMBURSEMENTS	.00	117,239.47	.00	( 117,239.47)	.0
TOTAL ELECTRIC CAPITAL PROJECT	179,378.04	824,297.93	1,117,300.00	293,002.07	73.8
TOTAL FUND REVENUE	179,378.04	824,297.93	1,117,300.00	293,002.07	73.8
<u>ELECTRIC CAPITAL PROJECTS</u>					
730-8200-67100 VEHICLES	.00	.00	90,000.00	90,000.00	.0
730-8200-67245 SPECIALIZED EQUIPMENT	.00	38,365.64	175,000.00	136,634.36	21.9
730-8200-67303 BORING--CUSTOMER PAID	6,840.00	20,955.00	35,000.00	14,045.00	59.9
730-8200-67304 ELECTRIC MATERIALS--CUSTOMER P	31,796.90	81,252.52	100,000.00	18,747.48	81.3
730-8200-67305 TRANSMISSION & WIND INVENTORY	.00	.00	85,000.00	85,000.00	.0
730-8200-67307 PROJECT 700	.00	.00	3,000.00	3,000.00	.0
730-8200-67311 LINE CONSTRUCTION	.00	.00	80,000.00	80,000.00	.0
730-8200-67313 STREET LIGHTS	.00	8,702.00	.00	( 8,702.00)	.0
730-8200-67601 COMMUNICATION SYSTEM CONSTR	1,464.61	12,534.14	225,000.00	212,465.86	5.6
730-8200-67603 FIBER DROPS (SERVICE LINES)	3,526.00	31,421.73	.00	( 31,421.73)	.0
730-8200-67604 ONTS (EQUIPMENT ON BUILDINGS)	1,643.68	21,700.84	.00	( 21,700.84)	.0
730-8200-67605 NETWORK ENGINEERING AND DESIG	73,885.42	126,818.88	.00	( 126,818.88)	.0
730-8200-67900 CAPITAL PROJECT EXPENSE	.00	.00	35,000.00	35,000.00	.0
730-8200-67901 FINANCIAL SYSTEM	.00	.00	200,000.00	200,000.00	.0
730-8200-67904 RADIO READ METERS	.00	.00	20,000.00	20,000.00	.0
730-8200-67906 MATERIALS--STOCK/INVENTORY	46,439.02	4,826.10	.00	( 4,826.10)	.0
TOTAL ELECTRIC CAPITAL PROJECT	165,595.63	346,576.85	1,048,000.00	701,423.15	33.1
TOTAL FUND EXPENDITURES	165,595.63	346,576.85	1,048,000.00	701,423.15	33.1
NET REVENUE OVER EXPENDITURES	13,782.41	477,721.08	69,300.00	( 408,421.08)	689.4

**Meeting Date:** 12/27/2016

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**Information**

**Subject**

Resolution approving the annual awards banquet recognizing the employees of the Indianola Municipal Utilities

**Information**

In your packet is the resolution approving the annual awards banquet and contribution to the event. Trustees contributes annually to the Awards Banquet scheduled on Friday, January 13th (mark your calendars). This year's contribution is recommended to be \$1,000. The City Council approved the same amount at their meeting on December 19, 2016.

**Financial Impact**

N/A

**Staff Recommendation**

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**Attachments**

Resolution

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RESOLUTION NO. 2016-\_\_\_\_\_

RESOLUTION APPROVING THE ANNUAL AWARDS BANQUET  
RECOGNIZING THE EMPLOYEES OF THE  
INDIANOLA MUNICIPAL UTILITIES

WHEREAS, the IMU Board of Trustees recognizes its employees at the Annual Awards Banquet; and

WHEREAS, this event is held each year in January to honor those for their years of service to the organization; and

WHEREAS, the IMU Board of Trustees hereby declares this to be a exceptional benefit to their employees and the organization; and

WHEREAS, the IMU Board of Trustees contributes annual to the Awards Banquet; and

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF INDIANOLA:

That the annual contribution for this year's Annual Awards Banquet shall be \$1,000

PASSED AND APPROVED this 27th day of December 2016.

\_\_\_\_\_  
Deb White, Chair

ATTEST:

\_\_\_\_\_  
Diana Bowlin, City Clerk

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Information

**Subject**

December 2016 MEAN Meeting Update

**Information**

**November Board & Management Committee Meetings** – The unapproved minutes from the November Board & Management Committee Meetings are attached for your review. A couple items of note are as follows:

**Page 3 (Mgmt)** – IMU GM Rob Stangel was voted in as Secretary of the Management Committee.

**Page 5 (Mgmt)** – Discussion was held regarding an opportunity to enter into a power purchase agreement with CR Energy Concepts in Fort Morgan, Colorado. Much discussion has been held regarding the need to bring on another resource too far in advance of an existing contract that is set to expire in 2023, both on an energy and financial basis. This topic was discussed further at a workshop that followed the December Finance Committee meeting.

**Page 7 (Board)** – Discussion was held regarding Torrington, WY loss of load assistance. Some alternatives include relief of FCRC payment obligations, an extension of payment terms, or a revision of how many years the FCRC calculation is based on. No decision was made with the loss of load having not yet occurred.

**December Finance Committee Meeting** – General Manager Rob Stangel attended a Finance Committee meeting on December 14, 2016 in Lincoln, NE. The Agenda for that meeting is included. Key topics included MEAN staff's year-end projections for FY 16-17 and staff's proposed budget and rates for FY 17-18. Page 2 of Attachment B is a summary of MEAN's revenue requirements for FY 17-18. Indianola's wholesale power costs are primarily made up of our proportionate share of the Fixed Cost Recovery Charge and the Flat Rate Energy – Schedule M that is based on the amount of energy we consume. As you can see, our energy rate is projected to increase from \$37.97/MWh to \$40.78/MWh next fiscal year. Based on our approximate 130,000 MWh annual consumption, this represents an anticipated increase of about \$365,000 in our wholesale power costs for next year. The budget and rates will be going to the full membership for approval at the January meeting in North Platte.

**MEAN Financial Statements** – MEAN Financials as of October 2016 are attached for your review. MEAN had a net loss in October of approximately \$(1,153,000). Fiscal year to date, MEAN's net revenue is approximately \$2,739,000. Please see the title page for narrative regarding October financial results.

**Financial Impact**

N/A

**Staff Recommendation**

No action required.

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Attachments

Minutes-Board

Minutes-Management  
Agenda-Ad Hoc  
Attachment A-MEAN  
Attachment B-MEAN  
MEAN Financials-October

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MINUTES  
MEAN Board of Directors  
Municipal Energy Agency of Nebraska  
Quality Inn & Suites - North Platte, Nebraska  
November 17, 2016

The Board of Directors of the Municipal Energy Agency of Nebraska (MEAN) met in joint session with the MEAN Management Committee on Thursday, November 17, 2016 at the Quality Inn & Suites in North Platte, Nebraska. Notice of the meeting was given to Directors and Alternate Directors by e-mail and/or mail and the public was advised by publication in the Lincoln *Journal-Star* newspaper. The notice and agenda were posted upon issuance at the NMPP Energy office in Lincoln, Nebraska, and kept continually current.

Management Committee Chairman Jeff Wells welcomed those attending the meeting. Wells mentioned the recent passing of George Michael, a MEAN Board and Management Committee Representative from Haxtun. Wells asked for a moment of silence to remember our colleague.

**CALL TO ORDER**

Chairman Tom Goulette called the meeting to order at 9:06 a.m. (CT). Pursuant to Section 84-1412(8) of the Nebraska Open Meetings Act, a current copy of the Open Meetings Act was posted in the meeting room and made available to the public.

**ROLL CALL**

A quorum was declared with 35 of the 54 Directors in attendance.

- |  |  |
|--|--|
| 1. Bielser, Collin – Fairbury                  | 19. McNally, Joe – Neligh              |
| 2. Brestel, Rod – Callaway                     | 20. Millyard, Robin – Glenwood Springs |
| 3. Carpenter, Ron – Haxtun                     | 21. Olson, Wes – Red Cloud             |
| 4. Castillo, Paul – Benkelman                  | 22. Ourada, Tom – Crete                |
| 5. Cooley, Tammy – Gering                      | 23. Paeper, Bruce – Pender             |
| 6. Coyne, Alan – Julesburg                     | 24. Palmer, Mike – Sidney              |
| 7. DePue, James – Wray                         | 25. Pedersen, Richard – Burwell        |
| 8. Dowis, Will – Gunnison                      | 26. Romine, Alan – Falls City          |
| 9. Eymann, Richard – Pierce                    | 27. Schultz, Doug – Curtis             |
| 10. Frana, Leroy – Nebraska City               | 28. Staab, Doug – Broken Bow           |
| 11. Goulette, Tom – West Point                 | 29. Stangel, Rob – Indianola           |
| 12. Harris, Dana – Grant arrived at 10:09 a.m. | 30. Suppes, Adam – Delta               |
| 13. Hinton, Bill – Kimball                     | 31. Tvrs, Ed – Alliance                |
| 14. Hoffman, Duane – Oxford                    | 32. Varney, Mike – Torrington          |
| 15. James, Nate – Morrill                      | 33. Wells, Jeff – Fort Morgan          |
| 16. Kerr, Jim – Lyons                          | 34. Wenzel, Darrel – Waverly           |
| 17. Lockmon, Bob – Stuart                      | 35. Woldt, Randy – Wisner              |
| 18. Markowski, Brian – Mitchell                |  |

Absent: Bartlett, Teresa; Beck, Keith; Cramer, Greg; Criss, Mike; Davison, Pat; Edgar, Larry; Ferguson, Michael; Hornbacher, Dave; Julliard, Phil; Kautz, Wayne; Mitchell, Curtis; Moser, Bill; Ouderkirk, Scot; Prettyman, John; Robb, Kim; Rodman, Chris; Schwabe, Michael; Walter, Richard, and Winkel, Jon.

Others in attendance: Bridges, Gordon; Cederburg, Jim; Hartwell, Carrie; Johnson, Marlene; Kalkwarf, Mike; Kielkopf, Todd; Longmore, Lynn; McKain, Wendy; Medellin, Margaret; Morehead,

Jim; Nation, Brent; Rundel, John; Silvius, Shawwna; Tarr, Jeremy; and Taylor, Jess.

NMPP staff: Richard Andrysik, Carol Brehm, Tim Cerveney, Shannon Coleman, Chris Dibbern, Katrinka Dicke, Brad Hans, Scott Hartz, Kara Hunt, Jamie Johnson, Jill Jones, Kyle Kaldahl, Michelle Lepin, Bob Poehling, Andrew Ross, Kim Schafers, Robin Spady, Tim Sutherland, and Kevin Wickham.

## **CHAIRMAN'S REMARKS**

Goulette reminded directors to be mindful of remaining in the room to ensure a quorum for the transaction of business. Goulette noted that since there is a quorum of the Board of Directors, the Executive Committee would not be called to order.

## **CONSENT AGENDA**

### Minutes

Minutes of the August 18, 2016 meeting were previously distributed. There were no changes to the minutes.

### Fiscal Year 2016-2017 Year-to-Date Financial Report

Jamie Johnson, Director of Finance and Accounting, summarized MEAN's Fiscal Year 2016-2017 Year-to-Date Financial Report, which included results for MEAN and the NMPP Energy organizations; an analysis of MEAN's balance sheet; cash and investments; and fiscal year-to-date operating results. MEAN financials for July, August, and September 2016 were previously distributed for review.

### Acknowledge Receipt of approved Minutes of the September 29, 2016 Joint Operating Committee Meeting

The approved minutes from the September 29, 2016 meeting of the NMPP Energy Joint Operating Committee (JOC) were received and included in the meeting packet for review.

### Next Meeting

Goulette stated that the next joint meeting of the MEAN Board and Management Committee is to be held on Thursday, January 19, 2017 at the Quality Inn & Suites in North Platte, Nebraska.

### Consent Resolution

*Motion: Jeremy Tarr moved to approve the following Consent Resolution. Wes Olson seconded the motion, which carried unanimously on a roll call vote. (Will Dowis, Dana Harris and Darrel Wenzel did not vote).*

## **BOARD RESOLUTION**

*WHEREAS, certain business of the Board of Directors of the Municipal Energy Agency of Nebraska (MEAN) transpires on a regular and routine basis or is not of a controversial nature; and,*

*WHEREAS, roll call votes on each individual issue greatly extended the meeting time;*

*NOW, THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors that in the interest of economizing time, yet complying with the Open Meetings Act of the State of Nebraska, which requires roll call voting, the following issues are hereby consolidated in this Consent Resolution:*

- 1. BE IT FURTHER RESOLVED BY the MEAN Board of Directors that the minutes of the August 18, 2016 meeting are hereby approved; and,*
- 2. BE IT FURTHER RESOLVED BY the MEAN Board of Directors that the financial statements for July, August and September 2016 are hereby accepted; and,*
- 3. BE IT FURTHER RESOLVED BY the MEAN Board of Directors that the receipt of the approved minutes of the September 29, 2016 Joint Operating Committee meeting is hereby acknowledged; and,*
- 4. BE IT FURTHER RESOLVED BY the MEAN Board of Directors that the next meeting will be held jointly with the MEAN Management Committee on Thursday, January 19, 2017 at the Quality Inn & Suites in North Platte, Nebraska.*

#### **ELECTION OF OFFICER – EXECUTIVE COMMITTEE AT-LARGE**

Chris Dibbern, General Counsel, reported one vacancy on the Executive Committee at-large position. Dibbern stated that an eligibility list was previously distributed for review and was made available at the meeting. She noted that the position would serve for the remainder of the fiscal year 2016-2017 term, ending March 31 and sought nominations from the floor.

A nomination from the floor included Doug Schultz to be considered for the Executive Committee At-Large position. No other nominations were received.

*Motion: Bill Hinton moved that nominations cease and votes be cast to elect an at-large Member to serve on the MEAN Executive Committee. Alan Romine seconded the motion which carried unanimously on a voice acclamation vote.*

Doug Schultz, Curtis was elected to serve as at-large member of the Executive Committee.

#### **CONSIDER AND APPROVE PUBLIC COMMENT POLICY**

Chris Dibbern, General Counsel, reported to the Board at its August 18, 2016 meeting that pursuant to the Open Meetings Act, the public has a right to attend and speak at meetings of public bodies, other than portions of meetings that may be in closed session. Dibbern reviewed the Public Comment Policy which was previously distributed in the meeting packet.

*Motion: Mike Varney moved to approve the resolution as presented. Doug Staab seconded the motion, which carried unanimously on a roll call vote. (Tammy Cooley and Dana Harris did not vote).*

#### **BOARD RESOLUTION**

*WHEREAS, the MEAN Board of Directors has received and reviewed a memorandum on the public comments policies regarding the Open Meetings Act and that the public has a right to attend and speak at meetings of public bodies, other than portions of meetings that may be closed session; and*



*WHEREAS, The MEAN Board, as a public body, is allowed to make and enforce rules regarding the conduct of those attending and speaking at public meetings.*

*NOW, THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors that MEAN shall adopt the following policy as presented below and that public comments be allowed from time to time at MEAN Board meetings:*

#### **MEAN PUBLIC COMMENT POLICY**

- The Board requests that parties keep public comments to relevant matters on the agenda.
- The Chairman of the Board reserves the right to stop any speaker who does not comply with this policy. The Chairman retains the right to exercise discretion in the application of this policy.
- The Board requests that all speakers conduct themselves in accordance with proper decorum.
  - Please refrain from profane or vulgar language and gestures.
  - Please do not disrupt the meeting by speaking without being recognized by the Board.
  - The Board retains the right to remove individuals who fail to conduct themselves in accordance with this policy.
- The Board will grant each speaker five (5) minutes, but that time can be extended by permission from the Chairman.

#### **UPDATE ON MEAN NERC COMPLIANCE AND RISK PROGRAMS**

Robin Spady, Risk, Compliance & Regulatory Counsel, provided updates on recent NERC regulation changes, its annual NERC review, and MRO's Inherent Risk Assessment.

#### **COMMITTEE REPORTS AND RECOMMENDATIONS**

##### **SERVICES COMMITTEE**

##### **Consider and Approve MEAN Services Committee Recommendation for Staff to Develop Fiscal Year 2017 -2018 Budget Including Estimated costs for Recommended Services**

Services Committee Chairman Marlene Johnson reported that the committee met on September 7, 2016 to review utility-related services and recommended that the MEAN Board of Directors direct staff to develop the Fiscal Year 2017-2018 budget including estimated costs to provide the recommended services at its November 2016 meeting. Andrew Ross, Director of Retail Utility Services & Member Relations, provided additional information about the services offered.

Staff and the MEAN Services Committee recommended the MEAN Board of Directors approve the resolution as presented.

*Motion: Doc Pedersen moved to approve the resolution as presented. Mike Palmer seconded the motion, which carried unanimously on a roll call vote. (Dana Harris did not vote).*

## RESOLUTION

*WHEREAS, the Services Committee of the MEAN Board of Directors reviewed the utility-related services offered by MEAN and recommended at the September 7, 2016 meeting that certain services be provided to qualifying MEAN participants by directing staff to include the estimated costs as part of the Fiscal Year 2017-2018 MEAN Budget; and,*

*WHEREAS, the MEAN Board of Directors desires to provide the recommended services to qualifying MEAN participants in Fiscal Year 2017-2018.*

*NOW, THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors, that staff is hereby directed to include the estimated costs for the following recommended services as part of the Fiscal Year 2017-2018 MEAN Budget:*

- *American Public Power Association member dues and Demonstration of Energy & Efficiency Developments (DEED) dues*
- *Computer Software – 100% subsidy for Nebraska Municipal Power Pool Value Support Plan*
- *Electric Cost of Service/Rate Design Study – 50% subsidy for contracts with Nebraska Municipal Power Pool*
- *MEAN Scholarship Program*
- *Energy Management Circuit Rider (Energy Audits) – MEAN contract with Nebraska Municipal Power Pool*
- *LED Lighting Program*
- *Member Education and Communication*

## FINANCE/AD HOC/POWER SUPPLY COMMITTEES

The Finance, Ad Hoc and Power Supply Committees met in a joint session on November 16, 2016.

## FINANCE COMMITTEE

### Bond Refunding Transaction Results

Jamie Johnson discussed the refunding transaction results. Johnson reported that the Fitch Ratings and S&P Global Ratings in September each assigned an ‘A’ rating to MEAN’s Power Supply System Refunding Revenue Bonds 2016 Series A totaling approximately \$68.9 million. The bonds refunded \$69.685 million, the callable amount, of MEAN’s 2009 Series A Bonds which totaled \$72.235 million, for interest cost savings and paid related issuance costs.

Fitch and S&P also affirmed an ‘A’ rating on MEAN’s other outstanding bonds and maintained the stable rating outlook.

The refunding decreased cash required for debt service by approximately \$18.1 million over the life of the bonds, an average of \$800,000 per year. Net present value savings as a percentage savings of refunded bonds is 18.1%.

## AD HOC COMMITTEE

### Report on Modifications to Distributed and Renewable Generation Policy

The Distributed and Renewable Generation Policy adopted by the MEAN Board of Directors on May 19, 2016 contains provisions addressing metering and reporting of data from distributed and renewable generating facilities (“DG Facilities”), including those that have been granted grandfathered status under the Policy (“Grandfathered Facilities”).

Brad Hans, Deputy Director of Wholesale Electric Operations, provided updates on the recent work of the Ad Hoc Committee. Hans reported on network vs. point to point transmission; metering options; The proposed language for the Distributed and Renewable Generation Policy, and Grandfathered Units.

Hans reported the Ad Hoc Committee reviewed the metering requirements applicable to DG Facilities and discussed the draft changes. The redlined changes were previously distributed with the meeting packet and copies were made available at the meeting. The changes would permit participants to extrapolate data from a representative sample of metered, grandfathered DG Facilities to make assumptions about production from unmetered grandfathered facilities. This would assist in reporting of generation for purposes of transmission billing. Other redlined changes were discussed at the meeting.

### Consider and Approve Grandfathering of Additional Facilities under Distributed and Renewable Generation Policy

Michelle Lepin, Associate General Counsel, led the discussion of the grandfathering of pre-existing facilities under Distributed Renewable Generation Policy. Lepin stated as part of the new Distributed and Renewable Generation Policy adopted by the MEAN Board of Directors on May 19, 2016, certain pre-existing distributed and renewable generation facilities (“DG Facilities”) can be grandfathered at the Board’s discretion.

Lepin reported the Board approved grandfathered status for 176 pre-existing DG Facilities on August 18, 2016. The Board extended the reporting period until October 2, 2016 to allow additional time for participants to submit the required information regarding DG Facilities for which the participant obtains an executed interconnection agreement on or before October 2, 2016, and any other pre-existing DG Facilities. During the extension period, MEAN received registration information for five additional DG Facilities, which have been included in the previously distributed draft of the revised Appendix B.

Staff recommended the Board approve grandfathered status for all of the DG Facilities that were registered with MEAN during the extended open registration period of August 19, 2016-October 2, 2016.

Lepin noted output from grandfathered facilities would not be subject to the 2% cap on participant-owned generation and will not be factored in the participant’s fixed cost recovery charge or energy charge.

*Motion: Robin Millyard moved to approve the resolution as presented. Adam Suppes seconded the motion, which carried on a 34-0-1 roll call vote.*

*Ayes: Collin Bielser, Rod Brestel, Ron Carpenter, Paul Castillo, Tammy Cooley, Alan Coyne, James DePue, Will Dowis, Richard Eymann, Leroy Frana, Tom Goulette, Dana Harris, Bill Hinton, Duane Hoffman, Jim Kerr, Bob Lockmon, Brian Markowski, Joe McNally, Robin Millyard, Wes Olson, Tom Ourada, Bruce Paeper, Mike Palmer, Richard Pedersen, Janine Schmidt, Doug Schultz, Doug Staab, Rob Stangel, Adam Suppes, Ed Tvrs, Mike Varney, Jeff Wells, Darrel Wenzel, and Randy Woldt.*

*Nays: None*

*Abstain: Alan Romine*

#### **MEAN BOARD OF DIRECTORS RESOLUTION**

*WHEREAS, the MEAN Board of Directors adopted a Distributed and Renewable Generation Policy (the "Policy") at the meeting held May 19, 2016; and*

*WHEREAS, the Policy provides an opportunity for the MEAN Board of Directors to elect to grandfather certain pre-existing distributed and renewable generation facilities that are timely registered with MEAN by the total requirements participants; and*

*WHEREAS, in accordance with the Policy, MEAN's total requirements participants were notified of a sixty (60) day registration period extending from June 17, 2016 to August 16, 2016 ("Initial Registration Period") allowing participants to apply for grandfathered status for distributed and renewable generation facilities ("DG Facilities") that were installed and operational prior to the effective date of the Policy; and*

*WHEREAS, the MEAN Board of Directors approved grandfathered status under the Policy for all of the DG Facilities registered with MEAN during the Initial Registration Period; and*

*WHEREAS, the MEAN Board of Directors approved offering participants an additional forty-five (45) day period beginning August 19, 2016 and ending October 2, 2016 ("Extension Period") during which the participants could register any other DG Facilities which are pre-existing or which have an executed interconnection agreement on or before October 2, 2016; and*

*WHEREAS, the MEAN Board of Directors has reviewed the list of DG Facilities registered during the extension period and desires to grandfather all such DG Facilities under the Policy.*

*NOW THEREFORE, BE IT RESOLVED BY the MEAN Board of Directors that the DG Facilities registered with MEAN during the Extension Period are hereby grandfathered as described in Section 2.08 of the Policy, which DG Facilities will be incorporated into a revised Appendix B to the Policy as presented.*

#### **Participant Financial Health**

##### **1) Consider and Approve Torrington Loss of Load Assistance**

Participant financial health was a discussion topic at the Ad Hoc Workshop held on October 19 and 20, 2016. Jamie Johnson and Andrew Ross, reviewed items discussed at the workshop including the importance of individual Participant health to MEAN's overall credit, information related to specific load loss in Torrington, Wyoming and consideration of financial health analysis by MEAN for MEAN Participants.

Ross provided a summary of the Ad Hoc Committee discussion regarding Loss of Load, specifically Torrington, Wyoming. Wyoming has requested the Board of Directors consider providing assistance to Torrington, Wyoming as a result of closing of businesses in Torrington resulting in loss of load. Ross stated next steps for Torrington, Wyoming would be further financial analysis and planning.

Discussion was held. No additional action was taken.

The MEAN Board of Directors recessed for break at 10:38 a.m. and reconvened at 10:56 a.m.

## **POWER SUPPLY COMMITTEE**

### CR Energy Concepts PPA Update

Shannon Coleman, Supervisor of Planning and Analysis, provided updates that cover additional information on how the proposed CR Energy Concepts resource fits in between 2019 and 2023, on an energy and financial basis. Mitigation strategies were discussed for potential utilization of excess energy during that timeframe along with cost impact.

Jeff Wells, Fort Morgan, provided comments to the Board on the project.

Discussion was held.

### URGE Test Results and Member Generation Fleet Update

Tim Cervený, Manager of Resources & Transmission, reported on the results of the member generation URGE tests; current fuel prices and calculations; a request by the Power Supply Committee was to revisit analysis on fuel and capacity.

## **UPDATES**

Carol Brehm, Member Relations Representative, provided an update on the NMPP Energy Annual Meeting. Brehm reported that the 2017 Annual Meeting & Conference will be held March 28 – 30, 2017, at the Marina Inn Hotel & Conference Center located in South Sioux City, Nebraska. Erick Rheam, Automated Energy & APPA Trainer, and Robert Wendover, Common Sense Enterprises, will present at the meeting.

Shannon Coleman, provided updates on the MEAN Wind Project at Kimball. Coleman reported on Kimball Wind Stats; and Kimball Wind RFP.

Brad Hans mentioned that work has started on the Integrated Resource Plan (IRP). Hans stated that discussions regarding the strategic resource plan will start in January.

## **CONTRACTS AND SETTLEMENTS REPORT**

Chris Dibbern, General Counsel, gave a brief summary of the legal, legislative and regulatory reports previously distributed in the meeting packet, that included a report on employee and members services on outside organizations, and the following executed contracts:

- Western Area Power Administration Confirmation Agreement No. 16-RMR-2783 (spinning reserves) to Contract No. 87-LAO-193

- Western States Power Corporation FY 2017 Participation in WAPA-Bureau of Reclamation Great Plains Region Financing
- Western States Power Corporation FY 2017 Participation in Corps of Engineers Financing

## REPORTS

### Executive Director

Bob Poehling, Executive Director/CEO, provided a report to the MEAN Board of Directors that included a summary of the November 2, 2016 Joint Operating Committee (JOC) meeting. Poehling noted the following:

- Tom Ourada, Crete, was appointed as a new member of the JOC
- Approval of Budget Allocations
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  - All benefits/plan remain the same
  - Open Enrollment
- Salary Range Adjustment Information
  - Consultant used to provide salary information to remain competitive (Note: not salary increase)
- Future Rebranding Exercise of Entire Organization
  - Project will expand over several months
  - Meeting with vendors over the next 6 months to gain a better understanding and costs associated with the project
  - Findings will be presented in May 2017 to the JOC

### Director of Wholesale Electric Operations

Tim Sutherland, Director of Wholesale Electric Operations, updated the MEAN Board of Directors on the status of projects that staff continues to work on.

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#### General Counsel

Chris Dibbern, General Counsel, provided a general update. Dibbern reported on two dockets in front of the Nebraska Power Review Board; Beatrice – Natural Gas Peaker; Neligh – Annexation into a rural electric system. Dibbern also updated the Board on two legal issues; Aksamit Resource Management (ARM) Public Records Request; and Sidney Arbitration. Dibbern provided a report on the recent Presidential Elections, noting the Clean Power Plan.

#### **ADJOURNMENT**

There being no further business, the meeting adjourned at 12:15 p.m.

Submitted by:  
Darrel Wenzel  
Secretary/Treasurer  
MEAN Board of Directors

Prepared by:

Kim Schafers  
Administrative Assistant  
Municipal Energy Agency of Nebraska

MINUTES OF MEETING  
MEAN Management Committee  
Municipal Energy Agency of Nebraska  
Quality Inn & Suites - North Platte, Nebraska  
Thursday, November 17, 2016

The Management Committee of the Municipal Energy Agency of Nebraska (MEAN) met in joint session with the MEAN Board of Directors on Thursday, November 17, 2016 at the Quality Inn & Suites in North Platte, Nebraska. Notice of the meeting was given to Representatives and Alternate Representatives by e-mail and/or mail and the public was advised by publication in the Lincoln *Journal-Star* newspaper. The notice and agenda were posted upon issuance at the NMPP Energy office in Lincoln, Nebraska, and kept continually current.

### CALL TO ORDER

Chairman Jeff Wells called the meeting to order at 9:01 a.m. (CT). Pursuant to Section 84-1412(8) of the Nebraska Open Meetings Act, a current copy of the Open Meetings Act was posted in the meeting room and made available to the public. Wells welcomed those attending the meeting and mentioned the recent passing of George Michael, a MEAN Board and Management Committee Representative from Haxtun. Wells asked for a moment of silence to remember our colleague.

### ROLL CALL

A quorum was declared with 37 of the 70 Representatives in attendance.

- |   |                                 |
|---|---------------------------------|
| 1. Alliance – Ed Tvrs                           | 20. Kimball – Bill Hinton       |
| 2. Benkelman – Paul Castillo                    | 21. Lyons – Jim Kerr            |
| 3. Broken Bow – Doug Staab                      | 22. Mitchell – Brian Markowski  |
| 4. Burwell – Richard Pedersen                   | 23. Morrill – Janine Schmidt    |
| 5. Callaway – Rod Brestel                       | 24. Nebraska City – Leroy Frana |
| 6. Carlisle – Todd Kielkopf                     | 25. Neligh – Joe McNally        |
| 7. Crete – Tom Ourada                           | 26. Oxford – Duane Hoffman      |
| 8. Curtis – Doug Schultz                        | 27. Pender – Bruce Paeper       |
| 9. Delta – Adam Suppes                          | 28. Pierce – Richard Eymann     |
| 10. Fairbury – Collin Bielser                   | 29. Red Cloud – Wes Olson       |
| 11. Falls City – Alan Romine                    | 30. Sidney – Mike Palmer        |
| 12. Fort Morgan – Jeff Wells                    | 31. Stuart – Bob Lockmon        |
| 13. Gering – Tammy Cooley                       | 32. Torrington – Mike Varney    |
| 14. Glenwood Springs – Robin Millyard           | 33. Trenton – John Trenton      |
| 15. Grant – Dana Harris (arrived at 10:09 a.m.) | 34. Waverly – Darrel Wenzel     |
| 16. Gunnison – Will Dowis                       | 35. West Point – Tom Goulette   |
| 17. Haxtun – Ron Carpenter                      | 36. Wisner – Randy Woldt        |
| 18. Indianola – Rob Stangel                     | 37. Wray – James Depue          |
| 19. Julesburg – Alan Coyne                      |                                 |

Representatives not in attendance: Ansley, Arnold, ARPA, Aspen, Basin, Bayard, Beaver City, Blue Hill, Breda, Bridgeport, Chappell, Denver, Fleming, Fonda, Fountain, Grand Island, Hastings, Holyoke, Imperial, Lake View, Lyman, Oak Creek, Paxton, Plainview, Rockford, Sargent, Sergeant Bluff, Shickley, Snyder, Spencer, Wall Lake, Wood River, and Yuma.



Others in attendance: Bridges, Gordon; Cederburg, Jim; Hartwell, Carrie; Johnson, Marlene; Kalkwarf, Mike; Kielkopf, Todd; Longmore, Lynn; McKain, Wendy; Medellin, Margaret; Morehead, Jim; Nation, Brent; Rundel, John; Silvius, Shawwna; Tarr, Jeremy; and Taylor, Jess.

NMPP staff: Richard Andrysik, Carol Brehm, Tim Cerveney, Shannon Coleman, Chris Dibbern, Katrinka Dicke, Brad Hans, Scott Hartz, Kara Hunt, Jamie Johnson, Jill Jones, Kyle Kaldahl, Michelle Lepin, Bob Poehling, Andrew Ross, Kim Schafers, Robin Spady, Tim Sutherland, and Kevin Wickham.

## CHAIRMAN'S REMARKS

Wells reminded representatives to be mindful of remaining in the room to ensure a quorum for the transaction of business.

## CONSENT AGENDA

### Minutes

Minutes of the August 18, 2016 joint meeting were previously distributed. There were no changes to the minutes.

### Acknowledge Receipt of approved Minutes of the September 29, 2016 Joint Operating Committee Meeting

The approved minutes from the September 29, 2016 meeting of the NMPP Energy Joint Operating Committee (JOC) were received and included in the meeting packet for review.

### Next Meeting

Wells reported the next scheduled meeting will be a joint meeting with the MEAN Board of Directors to be held on January 19, 2017 at the Quality Inn & Suites in North Platte, Nebraska.

*Motion: Mike Varney moved to approve the following Consent Resolution. Todd Kielkopf seconded the motion, which carried unanimously on a roll call vote. (Dana Harris did not vote).*

## MANAGEMENT COMMITTEE RESOLUTION

*WHEREAS, certain business of the Management Committee of the Municipal Energy Agency of Nebraska (MEAN) transpires on a regular and routine basis or is not of a controversial nature; and,*

*WHEREAS, roll call votes on each individual issue greatly extended the meeting time.*

*NOW, THEREFORE, BE IT RESOLVED BY the Management Committee that in the interest of economizing time, yet complying with the Open Meetings Act of the State of Nebraska, which requires roll call voting, the following issues are hereby consolidated in this Consent Resolution:*

- 1. BE IT FURTHER RESOLVED BY the Management Committee that the minutes of the August 18, 2016 meeting are hereby approved; and,*

2. *BE IT FURTHER RESOLVED BY the Management Committee that the receipt of the approved minutes of the September 29, 2016 Joint Operating Committee meeting is hereby acknowledged; and,*
3. *BE IT FURTHER RESOLVED BY the Management Committee that the next meeting will be held jointly with the MEAN Board of Directors on Thursday, January 19, 2017 at the Quality Inn & Suites in North Platte, Nebraska.*

## **ELECTION OF OFFICERS**

Chris Dibbern, General Counsel, reported two vacancies on the MEAN Management Committee; Vice Chairman, and Secretary. Dibbern stated that an eligibility list was previously distributed for review and was made available at the meeting. She noted that the position would serve for the remainder of the fiscal year 2016-2017 term, ending March 31 and sought nominations from the floor.

One nomination was received from the floor for Vice-Chairman; Jeremy Tarr – Burwell. No other nominations were received.

*Motion: Richard Pedersen moved that nominations cease and the Management Committee proceed to vote and a ballot be cast for Jeremy Tarr for the position of Vice–Chairman of the Management Committee. Darrel Wenzel seconded the motion, which carried unanimously on a voice acclamation vote.*

Jeremy Tarr – Burwell was elected Vice-Chairman of the MEAN Management Committee.

One nomination was received from the floor for Secretary; Rob Stangel – Indianola. No other nominations were received.

*Motion: Duane Hoffman moved that nominations cease and the Management Committee proceed to vote and a ballot be cast for Rob Stangel for the position of Secretary of the Management Committee. Darrel Wenzel seconded the motion which carried unanimously on a voice acclamation vote.*

## **CONSIDER AND APPROVE MODIFICATIONS TO ELECTRICAL RESOURCES POOLING AGREEMENT (ERPA) POLICIES & PROCEDURES**

Robin Spady, Risk, Compliance & Regulatory Counsel, led the discussion on the proposed changes. Spady stated the ERPA Policies and Procedures is being revised to reflect changes in the North American Electric Reliability Corporation's (NERC) Statement of Compliance Registry Criteria which deactivated the Purchasing-Selling Entity (PSE) function. Currently, MEAN is registered with NERC as only a Resource Planner (RP). Accordingly, references to the PSE have been removed. Additionally, the ERPA requires the Management Committee to approve reliability standards for the bulk power supply of MEAN. The revisions show that the Management Committee is adopting the FERC approved reliability standards that apply to Resource Planners. The revisions also clarify that MEAN's reliability requirements do not extend past the RP requirements under NERC's Statement of Compliance Registry Criteria.

Staff recommended the MEAN Management Committee approve the resolution as presented.

*Motion: Duane Hoffman moved to approve the resolution as presented. Tom Ourada seconded the motion, which carried on a unanimous roll call vote. (Dana Harris did not vote).*

## MANAGEMENT COMMITTEE RESOLUTION

*WHEREAS, the MEAN Management Committee is authorized to establish and modify procedures pursuant to the Electrical Resources Pooling Agreement; and,*

*WHEREAS, proposed revisions to the Electrical Resources Pooling Agreement Policies & Procedures were previously sent to the MEAN Management Committee.*

*NOW, THEREFORE, BE IT RESOLVED BY the MEAN Management Committee that the Electrical Resources Pooling Agreement Policies & Procedures are hereby amended to include the revisions as presented, a copy of which is attached hereto and made a part of the official Minutes book.*

## COMMITTEE REPORTS AND RECOMMENDATIONS

The Finance, Ad Hoc, and Power Supply Committees met in a joint session on November 16, 2016.

### AD HOC COMMITTEE

#### Report on Modifications to Distributed and Renewable Generation Policy

The Distributed and Renewable Generation Policy adopted by the MEAN Board of Directors on May 19, 2016 contains provisions addressing metering and reporting of data from distributed and renewable generating facilities (“DG Facilities”), including those that have been granted grandfathered status under the policy (“Grandfathered Facilities”).

Brad Hans, Deputy Director of Wholesale Electric Operations, provided updates on the recent work of the Ad Hoc Committee. Hans reported on network vs. point to point transmission; metering options; the proposed language for the Distributed and Renewable Generation Policy, and grandfathered units.

Hans reported the Ad Hoc Committee reviewed the metering requirements applicable to DG facilities and discussed the draft changes. The redlined changes were previously distributed with the meeting packet and copies were made available at the meeting.

#### Consider and Approve Incorporation of Amendments to Grandfathered Facilities List under Distributed and Renewable Generation Policy into the Electrical Resources Pooling Agreement Policies & Procedures

Staff recommended the MEAN Management Committee approve the following Resolution.

*Motion: Todd Kielkopf moved to approve the resolution as presented. Tom Ourada seconded the motion, which carried on a unanimous roll call vote.*

## MEAN MANAGEMENT COMMITTEE RESOLUTION

*WHEREAS, the MEAN Board of Directors adopted a Distributed and Renewable Generation Policy (the “DG Policy”) at the meeting held May 19, 2016; and*

*WHEREAS, the MEAN Management Committee on May 19, 2016 voted to incorporate the DG Policy, as adopted by the MEAN Board of Directors on May 19, 2016, into the Electrical Resources Pooling Agreement (“ERPA”) Policies & Procedures; and*

*WHEREAS, the MEAN Board of Directors approved grandfathering certain additional existing distributed generation facilities under the DG Policy at the meeting held November 17, 2016 and approved an updated Appendix B to the DG Policy to reflect the changes; and*

*WHEREAS, the MEAN Management Committee desires to incorporate the updated Grandfathered Facilities list into the ERPA Policies & Procedures.*

*NOW THEREFORE, BE IT RESOLVED BY the MEAN Management Committee that the ERPA Policies & Procedures are hereby amended to incorporate the updated Grandfathered Facilities list approved November 17, 2016 by the MEAN Board of Directors to serve as Appendix B to the DG Policy.*

The MEAN Management Committee recessed for break at 10:38 a.m. and reconvened at 10:56 a.m.

## **POWER SUPPLY COMMITTEE**

### CR Energy Concepts PPA Update

Shannon Coleman, Supervisor of Planning and Analysis, provided updates that cover additional information on how the proposed CR Energy Concepts resource fits in between 2019 and 2023, on an energy and financial basis. Mitigation strategies were discussed for potential utilization of excess energy during that timeframe along with cost impact.

Jeff Wells, Fort Morgan, provided comments. Discussion was held.

### URGE Test Results and Member Generation Fleet Update

Tim Cervený, Manager of Resources & Transmission, reported on the results of the member generation URGE tests; current fuel prices and calculations; a request by the Power Supply Committee was to revisit analysis on fuel and capacity.

## **UPDATES**

Carol Brehm, Member Relations Representative, provided an update on the NMPP Energy Annual Meeting. Brehm reported that the 2017 Annual Meeting & Conference will be held March 28 – 30, 2017, at the Marina Inn Hotel & Conference Center located in South Sioux City, Nebraska. Erick Rheam, Automated Energy & APPA Trainer, and Robert Wendover, Common Sense Enterprises, will present at the meeting.

Shannon Coleman, provided updates on the MEAN Wind Project at Kimball. Coleman reported on Kimball Wind Stats; and Kimball Wind RFP.

Brad Hans mentioned that work has started on the Integrated Resource Plan (IRP). Hans stated that discussions regarding the strategic resource plan will start in January.

## CONTRACTS AND SETTLEMENTS REPORT

Chris Dibbern, General Counsel, gave a brief summary of the legal, legislative and regulatory reports previously distributed in the meeting packet, including a report on the following executed contracts:

- Western Area Power Administration Confirmation Agreement No. 16-RMR-2783 (spinning reserves) to Contract No. 87-LAO-193
- Western States Power Corporation FY 2017 Participation in WAPA-Bureau of Reclamation Great Plains Region Financing
- Western States Power Corporation FY 2017 Participation in Corps of Engineers Financing

## REPORTS

### Executive Director

Bob Poehling, Executive Director/CEO, provided a report to the MEAN Management Committee that included a summary of the November 2, 2016 Joint Operating Committee (JOC) meeting. Poehling noted the following:

- Tom Ourada, Crete, was appointed as a new member of the JOC
- Approval of Budget Allocations
- Paid Time Off (PTO) Plan was reviewed and approved
- Health Insurance
  - All benefits/plan remain the same
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#### **ADJOURNMENT**

There being no further business, the meeting adjourned at 12:15 p.m.

Submitted by:  
Rob Stangel  
Secretary  
MEAN Management Committee

Prepared by:  
Kim Schafers  
Administrative Assistant  
Municipal Energy Agency of Nebraska

**AD HOC | FINANCE | RISK OVERSIGHT | COMMITTEE MEETINGS**

**Municipal Energy Agency of Nebraska**

8377 Glynoaks Drive – Lincoln, Nebraska

December 14, 2016 – 9:00 a.m. (CT)

• COMBINED AGENDA •

*All agenda items are for discussion and action will be taken as deemed appropriate.*

1. Call to Order
  - A. Nebraska Open Meetings Act – Section 84-1412(8)
  - B. Roll Call
    - 1) Ad Hoc Committee
    - 2) Finance Committee
    - 3) Risk Oversight Committee

**RISK OVERSIGHT COMMITTEE**

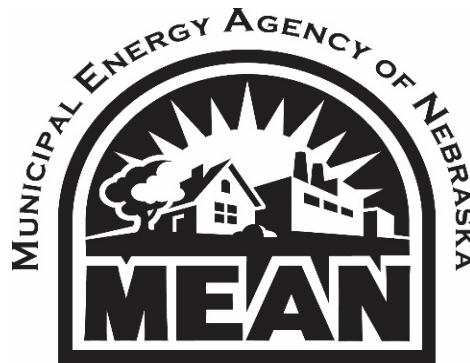
2. Consent Agenda
  - A. Approval of minutes from the January 20, 2016 meeting
  - B. Next meeting
  - C. Consent Resolution

**AD HOC COMMITTEE**

3. Consent Agenda
  - A. Approval of minutes from the November 16, 2016 meeting
  - B. Next meeting
  - C. Consent Resolution

**FINANCE COMMITTEE**

4. Consent Agenda
  - A. Approval of minutes from the November 16, 2016 meeting
  - B. Next meeting
  - C. Consent Resolution
5. Year-End Projections Fiscal Year 2016-2017 (Attachment A)
6. Proposed Budget and Rates Fiscal Year 2017-2018 (Attachment B)
  - A. Budget Considerations and Risk Factors (Finance/Risk Oversight)
  - B. Allocation of Fixed Cost Recovery Charge by Participant (Finance/Risk Oversight/Ad Hoc)
7. Adjourn



**Municipal Energy Agency of Nebraska  
Year-End Projections  
Fiscal Year 2016-2017**

**Projections based on Actual Results through September 2016**

**To Be Presented to:  
Board of Directors  
Management Committee  
January 19, 2017**

**Reviewed by:  
Finance Committee  
Risk Oversight Committee  
Ad Hoc Committee  
December 14, 2016**



**Municipal Energy Agency of Nebraska  
Year-End Projections  
Fiscal Year 2016-2017**

Table of Contents	Page
Summary	2-4
Narrative summary of significant variances and changes in assumptions between year-end projections and budget	
Statement of Revenues & Expenses - Projected vs. Current Budget	5
Summary of projected vs. current budget in format used in MEAN's monthly financial statement reporting	
Electric Energy Sales	6
Detailed analysis of projected vs. current budget electric energy sales, related units & cost per unit	
Other Revenues	7
Detail of projected vs. current budget for the various other revenues categories	
Purchased Power Expenses	8
Detailed analysis of projected vs. current budget electric energy costs for energy & capacity provided by contracted generation and market activity, related units & cost per unit	
Production Expenses	9
Detailed analysis of projected vs. current budget electric energy costs for energy & capacity provided by owned generation, related units & cost per unit	
Transmission Expenses	10
Detailed analysis of projected vs. current budget transmission expenses for pooled transmission costs	
Administrative & General	11
Detailed analysis of projected vs. current budget administrative & general (A&G) costs within the primary A&G categories	

**Municipal Energy Agency of Nebraska  
Year-End Projections  
Summary  
Fiscal Year 2016-2017**

Fiscal year-end projections are based on actual results for the six months ended September 2016 and budgeted activity for October 2016 through March 2017 with adjustments for known differences. Adjustments for known differences are noted below. The current budget has been reclassified to be consistent with the new electric energy cost presentation previously discussed. See the Proposed Budget & Rates Fiscal Year 2017-2018 packet for additional information on the reclassifications.

**MEAN Overall Financial Results:**

Projected net revenue/(loss) is \$4,304,000 compared to a budget of \$2,697,000 for a positive variance of \$1,607,000. Through September, the positive variance was \$2,549,000. See below for further explanation.

*Operating Revenues* – Operating revenues are anticipated to be greater than budget by \$1.7M or 1.3% due primarily to the addition of new Schedule J Participants not included in the original budget, increased sales to non-participants through September and other revenues from MISO excess capacity.

Actual Schedule M and Schedule K Participant energy usage through September 2016 is consistent with budget. No adjustments were made in calculating projected electric energy sales for Schedule M and Schedule K Participants. Projected energy usage for Schedule J Participants was adjusted for the expected impact of new Schedule J Participants.

Through September 2016, MWh's sold to Non-Participants were 35.5% greater than budget and \$/MWh was 3.2% greater than budget resulting in Non-Participant revenues greater than budget by \$929,000. As this activity is highly variable, no adjustments were made in calculating projected Non-Participant sales.

Other operating revenues exceed budget through September by \$206,000 due primarily to MISO market conditions resulting in additional revenue from MISO Excess Capacity. These same market conditions also increase costs for MISO excess capacity which offset the increase in revenue. An adjustment was made to projected results as this increase in revenue (and costs) is expected to continue through March 2017.

See the Electric Energy Sales and Other Revenues reports for detailed information.

*Electric Energy Costs* – Total projected electric energy costs are anticipated to be less than budget by \$709,000 or 0.7% less than budget.

Purchased Power expenses consists of electric energy costs for contracted generation and market activity. Costs are projected to total \$77.8M compared to a budget of \$77.7M, \$102,000 or 0.1% greater than budget. Significant components of purchased power expense contributing to the variance are discussed further below. Unless noted below, no adjustments were made to the projected results for each component of purchased power expense. See the Purchased Power Expenses report for detailed information.

**Contracted Purchases**

- Hastings WEC1 has produced less units than budgeted due to market conditions resulting in unexpected outages and derating of unit resulting in fuel costs and operation and maintenance expenses less than budget.
- PPGA WEC2 has produced less units than budgeted due to market conditions resulting in extended outages and derating of the unit resulting in fuel costs less than budget. Debt service costs were reduced compared to budget due to savings associated with PPGA's 2016A bond refunding. An adjustment was made to projected results as the reduction in costs will continue through March 2017.
- BHPL NS2 & Wygen III have produced more units than budgeted at a \$/MWh consistent with budget resulting in total costs greater than budget.
- NPPD GGS has produced less units than budgeted due to unexpected outages and limited generation resulting in less fuel costs than budget.

- The contract with WAPA & Kansas Tribes was finalized after the 2016-2017 budget was finalized. The contract rate was reduced resulting in savings compared to budget. As savings compared to budget are expected to continue through March 2017, an adjustment was made to projected results.
- Other includes energy imbalance through September 2016 which reduces total purchased power expenses by \$275,000. The reduction is due in part to a large credit adjustment related to loss ratios for 2014 and 2015. As this activity is unpredictable, no adjustment was made to projected results.
- MISO Excess Capacity is greater than budgeted due to current market conditions. As noted above, this increase is partially offset by increased revenues included in other operating revenues. An adjustment was made to projected results as this increase in costs (and revenue) is expected to continue through March 2017.

#### Market Activity

- Purchases for Load – units purchased fluctuate from budget due to the actual needs of Participants within these markets. The \$/MWh is set by the market and thus is also expected to fluctuate.
  - MISO MWh purchases through September were 5.2% greater than budget due to actual needs of Participants; however, \$/MWh were 6.4% less than budget resulting in \$70,000 less in costs compared to budget. Adjustments were made to costs for October through March to account for the addition of a new Schedule J Participant.
  - SPP MWh purchases through September were 2.2% greater than budget due to actual needs of Participants; however, \$/MWh were 17.1% less than budget resulting in \$1.3M less in costs compared to budget. Adjustments were made to costs for October through March to account for the addition of a new Schedule J Participant.
- Market Purchases – fluctuations compared to budget are expected due to the nature of these transactions.
  - SPP market MWh purchases through September were 7.8% greater than budget due to market conditions as \$/MWh was 12.3% less than budget resulting in costs \$205,000 less than budget. Purchases are made to serve load in other markets &/or to sell to Non-Participants in higher priced markets. The ability to purchase more units at a lower cost contributed to the increase in Non-Participant sales.
  - West Side purchases through September total nearly \$645,000 although no purchases were budgeted. Purchases are made to serve load &/or to sell to Non-Participants. The needs of Participants, actual generation from contracted & owned generation and market prices contributed to the actual MWhs purchased in the West. These conditions also contributed to the increase in Non-Participant sales.
- Generation sales revenues received, partially offset electric generation expenses of related generation.
  - MISO units (WSEC4, WSEC4 Waverly Assignment and Louisa) net generated less MWhs through September than budgeted while \$/MWh received was slightly less than budgeted for an overall decrease in MISO generation sales revenues received.
  - SPP units (LRS Unit 1, Hastings WEC 1, PPGA WEC2, NPPD GGS, net NPPD wind and Fairbury offset in part by NPPD CNS and HCPD Wessington Springs Wind) net generated less MWhs through September than budgeted and \$/MWh was slightly less than budgeted for an overall decrease in SPP generation sales revenues received.

Production expenses consist of electric energy costs for generation owned by MEAN. Costs are projected to total \$18.3M compared to a budget of \$19.1M, \$775,000 or 4.1% less than budget. Significant components of production expense contributing to the variance are discussed further below. The only adjustments to the projected results were for updated property tax amounts for each applicable unit. See the Production Expenses report for detailed information.

- LRS unit 1 has produced less units through September than budgeted due to extended outages resulting in decreased fuel costs compared to budget. Operations and maintenance expenses are also less than budgeted through September for an overall decrease in total costs.
- LRS unit 2 and unit 3 have produced more units through September than budgeted slightly increasing fuel costs compared to budget. However, operation and maintenance expenses are less than budget through September resulting in an overall decrease in total costs.

- WSEC4 has produced less units than budgeted through September due to unexpected outages as a result of market conditions resulting in less fuel costs than budgeted. Operation and maintenance expenses were higher than budget through September. Total costs are less than budget through September.

Transmission expenses consist of the pooled costs for transmission agreements net of related credits. Transmission costs incurred by MEAN as agent for Participants are passed through to individual Participants and thus net to zero and are not included in the reported transmission expenses. The Transmission Expenses report provides detailed information on transmission expenses for pooled transmission costs incurred and reported by MEAN. Transmission expenses are projected to total \$5.1M which is consistent with the current budget for a projected variance of \$37,000 or 0.7% less than budget. Significant components of transmission expense contributing to the variance are discussed further below.

- Network (NITS) transmission expenses are projected to exceed budget due to an adjustment for the estimated impact of the SPP Z2 retroactive adjustment.
- Point-to-Point Long-Term transmission expenses are projected to exceed budget due to a 2015 adjustment received from BHPL and an increase in costs for a NPPD path beginning January 2017.
- Point-to-Point Short-Term transmission expenses exceed budget due to SPP costs incurred through September as the tie was available and used to facilitate sales between markets (costs are not budgeted due to unreliability).
- An adjustment was made to WSEC4 – Trans Taxes within other for increases in actual transmission taxes compared to estimated amounts used in the budget.
- Favorable variances from budget for financial instruments related to congestion revenue rights activity in MISO and SPP of \$622,000 offset various transmission costs greater than budget. As this activity is highly variable and difficult to budget, no adjustments were made to projected results for this activity.

*Administrative & General* – Administrative & General (A&G) expenses are projected to total \$9.1M compared to a budget of \$9.3M, \$191,000 or 2.1% less than budgeted. Due to the cyclical nature of various A&G costs, adjustments are made to these line items based on estimated activity and known variances from budget. See the Administrative & General report for detailed information by line item.

- Payroll & Benefits accounts for \$474,000 of the variance. MEAN budgets for full staffing resulting in a variance due to turnover in personnel and delays in hiring for new and open positions.
- Internal Office expenses are projected to be less than budget by \$104,000 due to fluctuations in a variety of line items as shown on the detailed report.
- Member expenses are projected to be less than budget by \$22,000 due to fluctuations in a variety of line items as shown on the detailed report. Actual results are dependent in large part on utilization of member scholarships and rebates from the LED commercial lighting program.
- Consultants & Outside Services are projected to exceed budget by \$410,000 due primarily to additional legal expenses. The current budget does not include costs for litigation/dispute/arbitration. Actual costs through September and projected costs include known and estimated costs related to current arbitration and public records dispute.

*Operating Income/(Loss)* – projected operating income is \$13.4M compared to a budget of \$10.8M, \$2.6M or 24.1% greater than budget due to the combined impact of variances discussed above.

*Nonoperating Revenues/(Expenses)* – Adjustments were made to investment return based on current interest rates compared to rates at the time the budget was prepared. Interest expense, amortization of deferred cost of refunded debt, bond issue costs and net costs to be recovered in future periods were also adjusted as a result of MEAN's 2016A bond refunding recently completed.

**Municipal Energy Agency of Nebraska**  
**Year-End Projections**  
**Statement of Revenues & Expenses - Projected vs. Current Budget**  
**Fiscal Year 2016-2017**

	Projected	Current Budget	+/-	% +/-
<b>Electric Energy Sales - MWh's</b>				
Schedule M	1,572,634	1,574,750	(2,116)	-0.1%
Schedule K	101,134	103,480	(2,346)	-2.3%
Schedule J	37,173	30,603	6,570	21.5%
Non-Participants	167,514	133,283	34,231	25.7%
Renewables - Wind	132,480	130,856	1,624	1.2%
Landfill Gas - Energy	1,008	1,008	-	0.0%
Total Electric Energy Sales - MWh's	2,011,943	1,973,980	37,963	1.9%
<b>Operating Revenues</b>				
Electric Energy Sales				
Schedule M	\$ 105,729,786	\$ 105,773,064	\$ (43,278)	0.0%
Schedule K	7,574,871	7,667,730	(92,859)	-1.2%
Schedule J	1,862,271	1,581,856	280,415	17.7%
Non-Participants	4,384,234	3,454,936	929,298	26.9%
Renewables - Wind	6,771,097	6,687,642	83,455	1.2%
Landfill Gas - Energy	38,271	38,268	3	0.0%
Landfill Gas - Attributes	401,760	401,760	-	0.0%
Total Electric Energy Sales	126,762,290	125,605,256	1,157,034	0.9%
Transfer From / (Provision For) Rate Stab				
Rate Stabilization - General	-	-	-	0.0%
Rate Stabilization - Capital	2,000,000	2,000,000	-	0.0%
Rate Stabilization - RITA	1,260,000	1,260,000	-	0.0%
Total Trans From / (Prov For) Rate Stab	3,260,000	3,260,000	-	0.0%
Other	1,015,860	499,932	515,928	103.2%
Total Operating Revenues	131,038,150	129,365,188	1,672,962	1.3%
<b>Operating Expenses</b>				
Electric Energy Costs				
Purchased Power	77,838,645	77,736,520	102,125	0.1%
Production	18,311,655	19,086,694	(775,039)	-4.1%
Transmission	5,098,397	5,134,911	(36,514)	-0.7%
Total Electric Energy Costs	101,248,697	101,958,125	(709,428)	-0.7%
Administrative & General				
Payroll & Benefits	5,412,834	5,887,000	(474,166)	-8.1%
Internal Office	1,263,252	1,367,613	(104,361)	-7.6%
Member	299,701	322,043	(22,342)	-6.9%
Consultants & Outside Services	2,162,968	1,753,443	409,525	23.4%
Total Administrative & General	9,138,755	9,330,099	(191,344)	-2.1%
Depreciation and Amortization	7,237,631	7,268,457	(30,826)	-0.4%
Total Operating Expenses	117,625,083	118,556,681	(931,598)	-0.8%
<b>Operating Income/(Loss)</b>	13,413,067	10,808,507	2,604,560	24.1%
<b>Nonoperating Revenues/(Expenses)</b>				
Net Costs To Be Recovered in Future Periods	(1,650,878)	(786,465)	(864,413)	109.9%
Investment Return	427,905	315,700	112,205	35.5%
Interest Expense	(7,788,862)	(8,094,858)	305,996	-3.8%
Amort. of Def. Cost of Refunded Debt & Bond Issue Costs	(115,064)	453,634	(568,698)	-125.4%
Other	17,685	-	17,685	100.0%
Net Nonoperating Revenues/(Expenses)	(9,109,215)	(8,111,989)	(997,226)	12.3%
<b>Net Revenue / (Loss)</b>	\$ 4,303,852	\$ 2,696,518	\$ 1,607,334	59.6%

**Municipal Energy Agency of Nebraska  
Year-End Projections  
Electric Energy Sales  
Fiscal Year 2016-2017**

	Revenues				Units*	Per Unit**
	Projected	Current Budget	\$ +/-	% +/-	% +/-	% +/-
Schedule M						
Fixed Cost Recovery Charge	\$ 42,154,051	\$ 42,154,052	\$ (1)	-	-1.4%	N/A
Energy						
Flat Rate	50,587,646	50,751,708	(164,062)	-0.3%	-0.3%	0.0%
Support	12,988,089	12,867,304	120,785	0.9%	0.9%	0.0%
Total Energy	63,575,735	63,619,012	(43,277)	-0.1%	-0.1%	0.1%
Total Schedule M	105,729,786	105,773,064	(43,278)	0.0%	-0.1%	0.1%
Schedule K						
Fixed Cost Recovery Charge	3,456,160	3,456,160	-	-	-1.4%	N/A
Energy						
Flat Rate	3,788,440	3,883,216	(94,776)	-2.4%	-2.4%	0.0%
Support	330,271	328,354	1,917	0.6%	0.6%	0.0%
Total Energy	4,118,711	4,211,570	(92,859)	-2.2%	-2.3%	0.1%
Total Schedule K	7,574,871	7,667,730	(92,859)	-1.2%	-2.3%	1.1%
Schedule J						
Energy	1,862,271	1,581,856	280,415	17.7%	21.5%	-3.1%
Total Schedule J	1,862,271	1,581,856	280,415	17.7%	21.5%	-3.1%
Non-Participants						
Energy						
East						
MISO	1,114,581	778,217	336,364	43.2%	24.0%	15.5%
SPP	1,973,572	1,677,456	296,116	17.7%	12.9%	4.2%
Total East	3,088,153	2,455,673	632,480	25.8%	17.0%	7.5%
West	1,293,153	999,263	293,890	29.4%	50.1%	-13.8%
RMRG	2,929	-	2,929	100.0%	100.0%	100.0%
Total Non-Participants	4,384,234	3,454,936	929,298	26.9%	50.9%	1.0%
Renewables - Wind						
Schedule M	5,032,150	4,948,695	83,455	1.7%	1.7%	0.0%
Schedule K	1,738,947	1,738,947	-	0.0%	0.0%	0.0%
Total Renewables - Wind	6,771,097	6,687,642	83,455	1.2%	1.2%	0.0%
Landfill Gas - Energy						
Schedule M	38,271	38,268	3	0.0%	0.0%	0.0%
Total Landfill Gas - Energy	38,271	38,268	3	0.0%	0.0%	0.0%
Landfill Gas - Attributes						
Schedule M	401,760	401,760	-	0.0%	0.0%	0.0%
Total Landfill Gas - Attributes	401,760	401,760	-	0.0%	0.0%	0.0%
Total Electric Energy Sales	\$ 126,762,290	\$ 125,605,256	\$ 1,157,034	0.9%	1.9%	-1.0%
Electric Energy Sales Summary						
Total Participants	\$ 122,378,055	\$ 122,150,320	\$ 227,735	0.2%	0.2%	0.0%
Total Non-Participants	4,384,234	3,454,936	929,298	26.9%	25.7%	1.0%
Total Electric Energy Sales	\$ 126,762,290	\$ 125,605,256	\$ 1,157,034	0.9%	1.9%	-1.0%
Total Fixed Cost Recovery Charge (FCRC)	\$ 45,610,211	\$ 45,610,212				
FCRC as % of Total Electric Energy Sales	36%	36%				

## Units \*

Demand - Kw (% change shown on FCRC line for info only)

Energy - MWh

Energy Attributes - Attributes

## Per Unit\*\*

Total Schedule M/K/J - cost per total MWh sold for info only

LFG Attributes - Cost per Attribute

Total Electric Energy Sales - cost per total MWh sold for info only

**Municipal Energy Agency of Nebraska  
Year-End Projections  
Other Revenues  
Fiscal Year 2016-2017**

	Projected	Current Budget	\$ +/-	% +/-
<b>Other Revenues</b>				
Administration Fees	\$ 306,847	\$ 301,144	\$ 5,703	1.9%
Annual Meeting Sponsorships & Registrations	13,324	13,324	-	0.0%
Asset Rent & Asset Rent Recovery	115,674	120,464	(4,790)	-4.0%
MISO Excess Capacity	514,844	-	514,844	100.0%
Other	8,486	-	8,486	100.0%
Reactive Power	56,685	65,000	(8,315)	-12.8%
Total Other Revenues	<u>\$ 1,015,860</u>	<u>\$ 499,932</u>	<u>\$ 515,928</u>	<u>103.2%</u>

**Municipal Energy Agency of Nebraska  
Year-End Projections  
Purchased Power Expenses  
Fiscal Year 2016-2017**

	Expenses				MWh	Per MWh
	Projected	Current Budget	\$ +/-	% +/-	% +/-	% +/-
Contracted Purchases						
Hastings WEC1	\$ 1,404,126	\$ 1,615,654	\$ (211,528)	-13%	-23%	13%
PPGA WEC2	24,995,730	27,099,001	(2,103,271)	-8%	-15%	8%
PPGA WEC2 Hastings Assignment	1,627,871	1,772,129	(144,258)	-8%	-17%	11%
WSEC4 Waverly Assignment	726,668	741,558	(14,890)	-2%	-10%	9%
Louisa Waverly Assignment	2,119,930	2,188,313	(68,383)	-3%	-3%	0%
BHPL NS2 & Wygen III	10,717,874	10,387,278	330,596	3%	3%	0%
NPPD GGS	5,264,550	5,520,210	(255,660)	-5%	-8%	3%
NPPD CNS	12,371,711	12,341,093	30,618	0%	3%	-3%
HCPD Wessington Springs Wind	1,990,375	1,922,858	67,517	4%	3%	1%
NPPD Ainsworth Wind	1,135,081	1,194,816	(59,735)	-5%	-6%	1%
NPPD Crofton Bluffs Wind	766,150	773,651	(7,501)	-1%	2%	-3%
NPPD Elkhorn Ridge Wind	1,396,206	1,390,374	5,832	0%	0%	0%
NPPD Laredo Ridge Wind	1,731,771	1,739,695	(7,924)	0%	-2%	2%
Landfill Gas Project	2,381,256	2,396,820	(15,564)	-1%	-1%	0%
DMEA Shavano Falls	1,826,955	1,868,500	(41,545)	-2%	0%	-2%
WAPA LAP - MEAN	658,043	658,064	(21)	0%	0%	0%
Kansas Tribe Contracts	1,202,518	1,511,757	(309,239)	-20%	0%	-20%
WAPA RMRG	14,527	20,580	(6,053)	-29%	-18%	-14%
WAPA - Other	54,602	16,188	38,414	237%	100%	N/A
Other	(274,572)	-	(274,572)	100%	100%	N/A
Fairbury Generation	14,409	-	14,409	100%	100%	N/A
Participant Committed Facilities	2,357,545	2,360,679	(3,134)	0%	-9%	10%
MISO Excess Capacity	845,435	291,600	553,835	190%	100%	N/A
Total Contracted Purchases	75,328,763	77,810,818	(2,482,055)	-3%	-7%	4%
Market Activity						
Purchases for Load						
MISO	7,921,612	7,880,995	40,617	1%	4%	-3%
SPP	16,588,240	17,887,248	(1,299,008)	-7%	1%	-8%
Total Purchases for Load	24,509,852	25,768,243	(1,258,391)	-5%	2%	-7%
Market Purchases						
MISO	1,360,044	1,376,907	(16,863)	-1%	-18%	20%
SPP	6,812,662	7,017,209	(204,547)	-3%	4%	-7%
West	3,273,877	2,629,334	644,543	25%	45%	-14%
Total Market Purchases	11,446,584	11,023,450	423,134	4%	8%	-4%
Generation Sales Revenues Received						
MISO	(10,811,207)	(12,064,914)	1,253,707	-10%	-9%	-1%
SPP	(22,635,347)	(24,801,077)	2,165,730	-9%	-9%	0%
Total Generation Sales Revenues Received	(33,446,554)	(36,865,991)	3,419,437	-9%	-9%	0%
Total Purchased Power Expenses	\$ 77,838,645	\$ 77,736,520	\$ 102,125	0%	7%	-7%



**Municipal Energy Agency of Nebraska  
Year-End Projections  
Production Expenses  
Fiscal Year 2016-2017**

	Expenses				MWh	Per MWh
	Projected	Current Budget	\$ +/-	% +/-	% +/-	% +/-
Owned Generation						
BHPL Wygen Unit I	\$ 5,543,201	\$ 5,539,075	\$ 4,126	0%	-3%	3%
LRS Unit I	1,543,693	1,710,572	(166,879)	-10%	-8%	-2%
LRS Unit 2 & Unit 3	3,206,798	3,373,844	(167,047)	-5%	6%	-10%
WSEC4	7,157,074	7,582,470	(425,396)	-6%	-10%	5%
Kimball Wind	860,890	880,733	(19,843)	-2%	-18%	19%
Total Production Expenses	<u>\$ 18,311,655</u>	<u>\$ 19,086,694</u>	<u>\$ (775,039)</u>	<u>-4%</u>	<u>-6%</u>	<u>2%</u>

**Municipal Energy Agency of Nebraska  
Year-End Projections  
Transmission Expenses  
Fiscal Year 2016-2017**

	Projected	Current Budget	\$ +/-	% +/-
Network (NITS)				
NPPD	\$ (99,151)	\$ (99,931)	\$ 780	-1%
WAPA - LAPT	(604,712)	(646,284)	41,572	-6%
SPP	1,055,127	919,776	135,351	15%
Network (NITS)	<u>351,263</u>	<u>173,561</u>	<u>177,702</u>	<u>102%</u>
Point-to-Point Long-Term				
WAPA - LAPT	1,425,000	1,425,600	(600)	0%
WAPA - Shavano Falls	76,500	80,325	(3,825)	-5%
BHPL	1,708,820	1,546,512	162,308	10%
PSCO	(1,136)	-	(1,136)	100%
NPPD	96,900	-	96,900	100%
SPP	(33,746)	(143,450)	109,704	-76%
MISO	2,525,127	2,434,160	90,967	4%
Point-to-Point Long-Term	<u>5,797,464</u>	<u>5,343,147</u>	<u>454,317</u>	<u>9%</u>
Point-to-Point Short-Term				
WAPA - LAPT/SLCA	10,914	-	10,914	100%
PSCO	15,925	-	15,925	100%
Tri-State	8,231	13,455	(5,224)	-39%
Tri-State - Shavano Falls	37,905	29,292	8,613	29%
Other <sup>(2)</sup>	170,417	240,000	(69,583)	-29%
BHPL	3,789	-	3,789	100%
SPP	116,921	-	116,921	100%
MISO	1,351	-	1,351	100%
Point-to-Point Short-Term	<u>365,452</u>	<u>282,747</u>	<u>82,705</u>	<u>29%</u>
Other				
WSEC4 - Other	(8,155)	2,736	(10,891)	-398%
WSEC4 - Trans Taxes	132,071	79,468	52,603	66%
Hastings WEC1	515	90	425	472%
PPGA WEC2	9,273	4,041	5,232	129%
PPGA WEC2 Hastings Assign	622	268	354	132%
Other	19,554	15,272	4,282	28%
WAPA Spinning Reserves	515,073	571,816	(56,743)	-10%
WAPA - Kimball	30,744	30,744	-	0%
WAPA - RMRG Reserves	22,747	39,600	(16,853)	-43%
Other	<u>722,444</u>	<u>744,035</u>	<u>(21,591)</u>	<u>-3%</u>
Financial Instruments <sup>(1)</sup>				
SPP - TCRs	(156,615)	73,717	(230,332)	-312%
SPP - ARRs	(393,533)	(300,000)	(93,533)	31%
MISO - FTRs	76,736	(87,346)	164,082	-188%
MISO - ARRs	(761,820)	(300,000)	(461,820)	154%
Financial Instruments	<u>(1,235,232)</u>	<u>(613,629)</u>	<u>(621,603)</u>	<u>101%</u>
Total Transmission	6,001,392	5,929,861	71,531	1%
Less Transmission Credits	(902,994)	(794,950)	(108,044)	14%
Total Transmission Expenses	<u>\$ 5,098,397</u>	<u>\$ 5,134,911</u>	<u>\$ (36,514)</u>	<u>-1%</u>

<sup>(1)</sup>ARR = Auction Revenue Rights  
TCR = Transmission Congestion Rights  
FTR = Financial Transmission Rights

<sup>(2)</sup>Other primarily includes OATI (West Connect), PSC of NM and Basin

**Municipal Energy Agency of Nebraska  
Year-End Projections  
Administrative & General  
Fiscal Year 2016-2017**

	Projected	Current Budget	\$ +/-	% +/-
<b>Payroll &amp; Benefits</b>				
Payroll & Benefits	\$ 5,412,834	\$ 5,887,000	\$ (474,166)	-8.1%
<b>Internal Office</b>				
Company Vehicles	(12,808)	(16,825)	4,017	-23.9%
Conferences & Training	73,601	102,598	(28,997)	-28.3%
Dues & Subscriptions	317,634	353,265	(35,631)	-10.1%
Equipment Lease & Maintenance	188,188	204,168	(15,980)	-7.8%
Glynoaks Operations	123,337	115,886	7,451	6.4%
Insurance	131,150	135,605	(4,455)	-3.3%
Miscellaneous	11,529	16,737	(5,208)	-31.1%
Office Supplies	12,277	21,658	(9,381)	-43.3%
Postage	6,972	6,228	744	11.9%
Reimbursement/Reclass - PPGA/Kimball	(19,288)	-	(19,288)	-100.0%
Telecommunications	160,720	135,449	25,271	18.7%
Travel, Lodging & Meals	269,939	292,844	(22,905)	-7.8%
Total Internal Office	1,263,252	1,367,613	(104,361)	-7.6%
<b>Member</b>				
Advertising - Corporate Image	24,295	14,185	10,110	71.3%
Annual Meeting	24,105	24,108	(3)	0.0%
Board & Committee Meetings	50,130	60,650	(10,520)	-17.3%
Member Communications	9,224	12,350	(3,126)	-25.3%
Member Dues	117,416	114,250	3,166	2.8%
Member Education	-	1,500	(1,500)	-100.0%
Member Scholarships	15,842	20,000	(4,159)	-20.8%
Rebates Paid	58,689	75,000	(16,311)	-21.7%
Total Member	299,701	322,043	(22,342)	-6.9%
<b>Consultants &amp; Outside Services</b>				
Audit & Consulting	38,000	38,000	-	0.0%
Finance	152,850	151,850	1,000	0.7%
Legal	528,787	96,000	432,787	450.8%
Lobbying	42,680	22,680	20,000	88.2%
NMPP Contract Services	260,552	278,015	(17,463)	-6.3%
Other	490,652	464,190	26,462	5.7%
Regulatory & Compliance	116,765	161,500	(44,735)	-27.7%
Software Licenses, Maint., Support	532,683	541,208	(8,525)	-1.6%
Total Consultants & Outside Services	2,162,968	1,753,443	409,525	23.4%
<b>Total Administrative &amp; General</b>	<u>\$ 9,138,755</u>	<u>\$ 9,330,099</u>	<u>\$ (191,344)</u>	<u>-2.1%</u>



**Municipal Energy Agency of Nebraska  
Proposed Budget and Rates  
Fiscal Year 2017-2018**

**To Be Presented to:  
Board of Directors  
Management Committee  
January 19, 2017**

**Reviewed by:  
Finance Committee  
Risk Oversight Committee  
Ad Hoc Committee  
December 14, 2016**

**Municipal Energy Agency of Nebraska  
Proposed Budget and Rates  
Fiscal Year 2017-2018**

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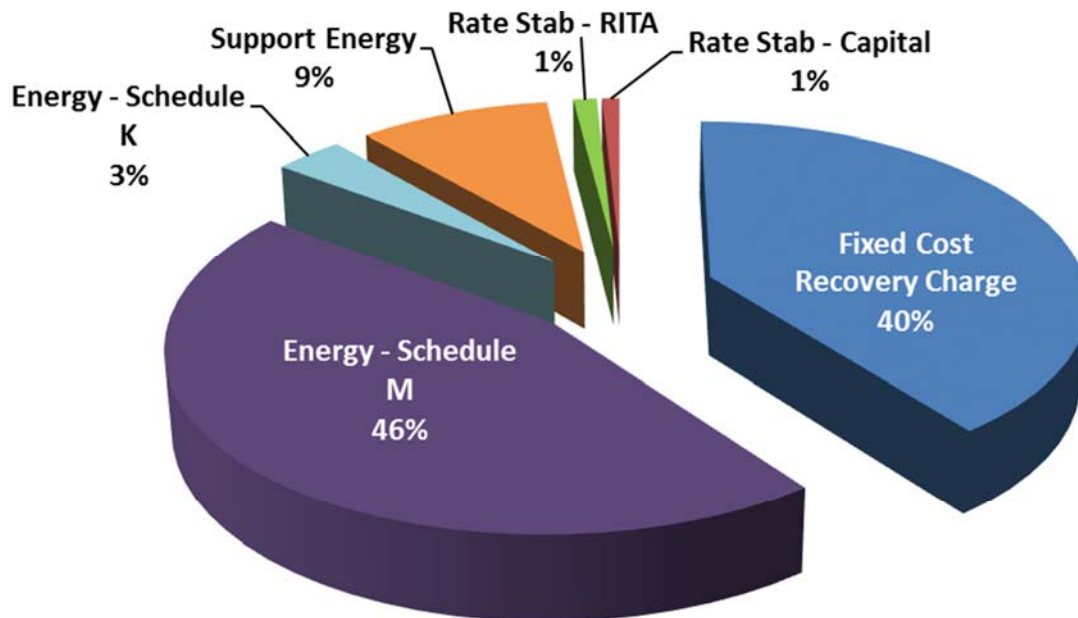
**Municipal Energy Agency of Nebraska  
Proposed Budget & Rates  
Summary  
Fiscal Year 2017-2018**

Staff recommends the following targeted revenue requirement and the related components based on analysis of all coverage targets and revenue requirements as shown on the Revenue Requirement and Coverage Analysis report included. The targeted revenue requirement represents a 1.9% decrease from the current fiscal year 2016-2017 targeted revenue requirement. The total fixed cost recovery charge to be allocated to Schedule M and Schedule K Participants decreases by 0.5%. The actual change for each Participant may be more or less as MEAN did not fully implement the allocation methodology in current fiscal year 2016-2017 and instead used a 10% cap on the FCRC to continue the step into the rate structure change. The flat energy rate for Schedule M and Schedule K Participants increases 7.4% and the support energy rate decreases in two increments during the year for a weighted average decrease of 18.5%.

Charge	Proposed		Current	
	Budget 2017-2018	\$/MWh 2017-2018	Budget 2016-2017	\$/MWh 2016-2017
Fixed Cost Recovery Charge	\$45,400,000	N/A - Fixed	\$45,610,212	N/A - Fixed
Flat Rate Energy – Schedule M	52,181,659	\$40.78	50,751,708	\$37.97
Flat Rate Energy – Schedule K	3,896,962	\$42.82	3,883,216	\$39.87
Support Energy	10,736,309	\$44.06	13,195,658	\$54.05
Rate Stabilization – RITA	1,310,000	N/A - Fixed	1,260,000	N/A - Fixed
Rate Stabilization – Capital	979,275	N/A - Fixed	2,000,000	N/A - Fixed
Targeted Revenue Requirement	<u>\$114,504,205</u>		<u>\$116,700,794</u>	

**Fiscal Year 2017-2018 Targeted Revenue  
Requirement Breakdown**

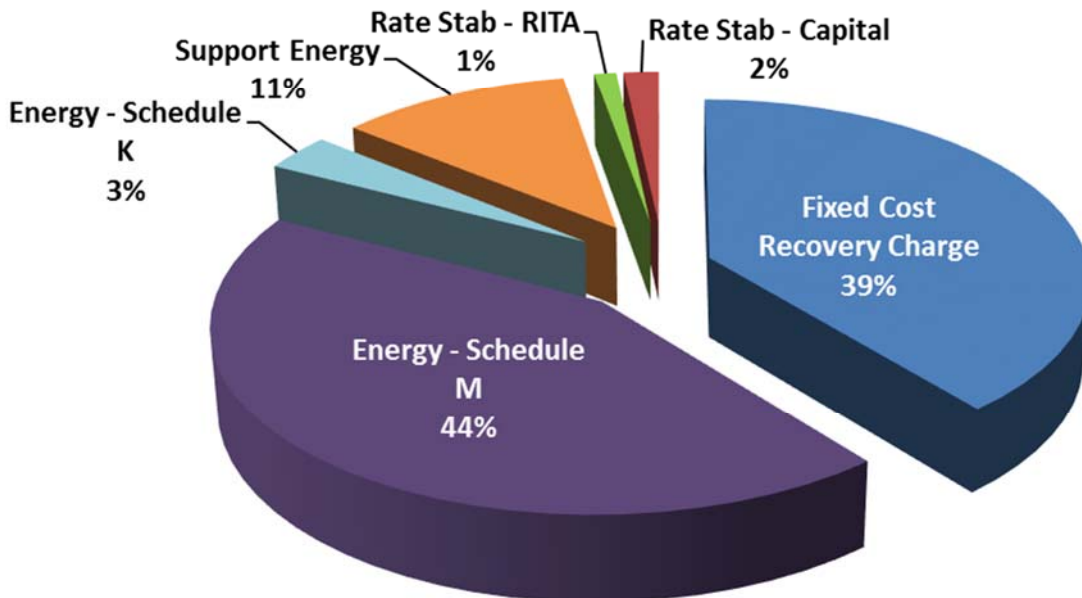
(Schedule M and Schedule K)  
Total = \$114,504,205



## Fiscal Year 2016-2017 Targeted Revenue Requirement Breakdown

(Schedule M and Schedule K)

Total = \$116,700,794



Staff recommends the following components be included in the fixed cost recovery charge for Fiscal Year 2017-2018. The total fixed cost recovery charge decreased 0.5% compared to the current budget.

<b>Fixed Cost Recovery Charge</b>	<b>Proposed Budget 2017-2018</b>	<b>Current Budget 2016-2017</b>
A&G, net	\$ 9,824,345	\$ 9,196,311
Contracted Generation Debt Service		
PPGA WEC2 & WEC2 Assignment	14,997,456	16,009,343
Other Contracted	3,623,571	4,011,810
MEAN Debt Service	12,952,720	13,809,858
Use of Rate Stabilization - RITA	(1,310,000)	(1,260,000)
Contracted Generation Capital Budget	1,266,786	-
MEAN & Owned Generation Capital Budget	5,024,397	4,342,890
Use of Rate Stabilization - Capital	(979,275)	(2,000,000)
Utility Basis Adder	-	1,500,000
Total Fixed Cost Recovery Charge	<u>\$45,400,000</u>	<u>\$45,610,212</u>

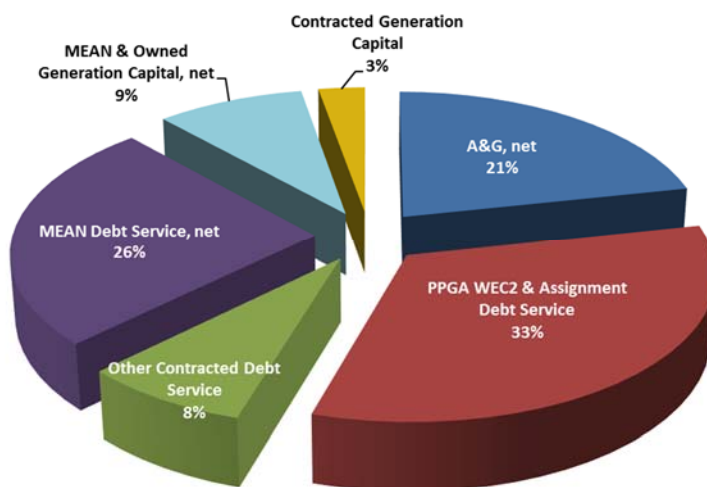
See the Fixed Cost Recovery Charge section of the budget narrative for further detailed description of the components and the method of allocation by Participant. In the current fiscal year 2016-2017 budget, staff proposed \$1.5 million in a Utility Basis Adder. This adder was included to keep MEAN's financial ratios healthy and within established guidelines. The proposed budget does not need a Utility Basis Adder to keep those ratios

within an acceptable range. Keeping in line with our goal of putting debt service and capital costs into the FCRC, MEAN staff recommends including Contracted Generation Capital Budget costs in the FCRC as staff is now able to identify these dollars. Contracted generation units with capital dollars include Hastings WEC 1, PPGA WEC 2 (although currently funded with PPGA's available bond proceeds through 2017), NPPD CNS and NPPD GGS.

### Fiscal Year 2017-2018 Fixed Cost Recovery Charge

(Schedule M and Schedule K)

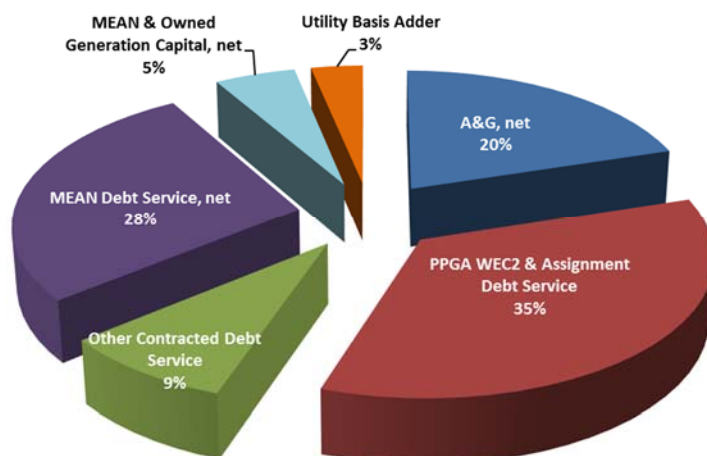
Total = \$45,400,000



### Fiscal Year 2016-2017 Fixed Cost Recovery Charge

(Schedule M and Schedule K)

Total = \$45,610,212





**Municipal Energy Agency of Nebraska  
Proposed Budget and Rates  
Narrative Discussion  
Fiscal Year 2017-2018**

The budget for Municipal Energy Agency of Nebraska (MEAN) consists of a number of underlying assumptions, many of which have the potential to be impacted by regional, regulatory and weather events that are outside the control of MEAN staff or Participants. The information below is provided for further discussion and understanding of the potential for variances between actual and budgeted results.

**Electric Energy Sales**

Energy sales are highly variable as usage depends on consumer needs which vary with weather, time of day, conservation efforts including energy efficiency, etc. In an effort to reduce volatility in MEAN's revenue collection, MEAN's rate structure includes a Fixed Cost Recovery Charge to cover MEAN's known fixed costs. See the Electric Energy Sales report for detailed information.

**Fixed Cost Recovery Charge**

The Fixed Cost Recovery Charge (FCRC) consists of fixed costs related primarily to MEAN's ownership of and participation in generation and the operation of MEAN and include the following:

- budgeted administrative and general expenses net of asset rent from other NMPP Energy companies and annual meeting sponsorships and registrations
- contracted generation debt service for MEAN's share of generating assets (see the Debt Service Schedule report for detailed amounts)
  - Whelan Energy Center Unit 2 (WEC2) through Public Power Generation Agency (PPGA) including WEC2 Assignment net of budgeted debt service offsets such as interest income, subsidies on Build America Bonds and use of PPGA cash on hand to be applied toward debt service
  - Hastings Whelan Energy Center Unit 1 (WEC1), Walter Scott Jr. Energy Center Unit 4 (WSEC4) Waverly Assignment, Louisa Generating Station (LGS) Waverly Assignment, Nebraska Public Power District (NPPD) Cooper Nuclear Station (CNS) and NPPD Gerald Gentleman Station (GGS)
- principal and interest payments on MEAN's outstanding debt
- required FCRC is reduced by use of Rate Stabilization – RITA funds
- contracted generation budgeted capital costs for MEAN's share of generating assets (see the Annual Capital Budget report for detailed amounts)
  - PPGA WEC2 including PPGA WEC2 Assignment net of use of PPGA cash on hand to be applied toward capital projects
  - Hastings WEC1, NPPD CNS and NPPD GGS
- MEAN annual capital budget including MEAN capital assets and productive capacity assets for MEAN's share of owned generation which includes Laramie River Station (LRS) Wygen I, WSEC4 and Kimball Wind
- required FCRC is reduced by use of Rate Stabilization – Capital funds
- utility basis budget added to keep targeted revenue requirement and financial ratios within acceptable ranges

In response to the cost of service study performed by an outside consultant during 2014, the Ad Hoc committee directed staff to move toward utility basis budgeting beginning with the fiscal year 2015-2016 budget. Utility basis budgeting takes into consideration the future replacement of assets and power supply contracts. Under utility basis budgeting, the targeted revenue requirement includes annual operating expenses, depreciation

expense and a return on system equity. The rate of return on system equity is determined by including an inflationary increase in asset replacement costs plus interest expense. The advantage of utility basis budgeting is it leads to more stable and consistent rate adjustments and typically leads to a more financially stable and healthy organization.

The total revenue required by the FCRC is allocated to Schedule M and Schedule K Participants based on a three-year historical average non-coincident monthly peak demand (supplied by MEAN) by Participant. A 5% differential for Schedule K Participants is maintained within the fixed cost recovery charge structure. The annual period used in the calculation is October – September. Therefore, the proposed allocation for 2017-2018 includes October 2013 – September 2014, October 2014 – September 2015 and October 2015 – September 2016.

At the November 16, 2016 Ad Hoc committee meeting, the committee directed staff to also include in the budget packet an allocation of the FCRC in the same method as noted above but using two years of historical data rather than three.

See the detailed reports showing the FCRC by Participant included in the budget packet.

#### Load Forecasting

MEAN continues to forecast loads (energy usage) for Participants based on historical results and model based growth. In the proposed budget, MEAN utilized a forecasting methodology that employs an industry-standard multi-variable regression analysis that includes up to 10 years of historical weather variables (includes average temperature, Cooling Degree Days (CDD), Heating Degree Days (HDD)), calendar variables (includes months and weekdays) and economic variables (includes population unique to each participant). This forecasting methodology attempts to budget a weather normalized load. For the energy forecast, we utilized the monthly load forecast results along with each Participant's historical average monthly load factor to calculate budgeted monthly energy. The Schedule M and Schedule K energy component of the revenue requirement is variable based on actual usage, while many of the related contracted quantities and costs to purchase energy are fixed. Through generation ownership, assignment agreements and purchase power contracts, MEAN often must "take or pay" a certain level of energy regardless of MEAN's Participant required loads.

#### Participant Contract Terms

Sales volumes year to year are impacted by contract terms for Schedule K and Schedule J Participants. The following summarizes current contracts:

- Schedule K
  - No Schedule K terminations or additions during fiscal year 2017-2018
    - Glenwood Springs, CO - 10-year contract through 12/31/2022
    - Paxton, NE - 10-year contract through 2/28/2024
    - Sargent, NE - 5-year contract ending 2/28/2017
- Schedule J
  - No Schedule J terminations or additions during fiscal year 2017-2018
    - Holyoke, CO - 5-year contract through 9/30/2018
    - Wray, CO - 5-year contract through 6/30/2018
    - Snyder, NE - 5-year contract that began 6/1/2016 (included in 2016-2017 budget)
    - Lake View, IA - 5-year contract that began 6/1/2016 (not included in 2016-2017 budget)
    - Trenton, NE has 5-year contract beginning 1/1/2017 (not included in 2016-2017 budget)

At the time of the budget preparation, MEAN has one response to a request for proposal pending which is not included in the proposed budget or in the preliminary out years. The earliest this outstanding proposal would result in additional activity for MEAN is January, 2019.

#### Support Energy

Support energy is defined in MEAN's schedule of rates and charges. Support energy is equal to Western Area Power Administration (WAPA) Energy as defined in the schedule minus the firm energy hydro allocation supplied by WAPA for that month.

Support energy revenues in the proposed fiscal year 2017-2018 budget are calculated based on a fixed support energy rate of \$48.55 from April 2017 through September 2017 and \$40.78, the Schedule M Rate, from October 2017 onward as approved by the Board of Directors and Management Committee at the August 2015 meeting. This is a reduction from \$54.05 for current fiscal year 2016-2017 leading to a \$2.5 million decrease in budgeted support energy revenue for fiscal year 2017-2018. Similar to Schedule M and Schedule K energy revenues, support energy revenues are variable based on actual usage. Variances in support energy MWhs will have an impact on actual revenue collected.

Changes to the support energy rate shift the related support energy revenue recovery to the Schedule M and Schedule K energy rate revenue requirement. Changes to the support energy rate structure do not change the total targeted revenue requirement.

#### Non-Participant Electric Energy Sales Revenues

Non-participant electric energy sales revenues consist of revenues from sales of electricity to counterparties other than MEAN's Participants. MEAN is subject to price volatility for Regional Transmission Organization (RTO) market transactions as the market sets the \$/MWh for market dependent transactions, which includes non-participant sales within RTO markets.

Based on estimated \$/MWh market price differentials, budgeted MWhs for East energy sales in MISO and SPP have increased overall. Although more unit sales are expected, the lower expected \$/MWh has resulted in an overall decrease in budgeted revenues from East non-participant sales. East non-participant sales consist of border transactions between MISO and SPP markets and applicable market activity for each separately operated and settled market. Net hourly energy transactions are evaluated on a net MWh basis to determine whether the hourly transaction should be classified as a net purchase or net sale.

In the West, estimated \$/MWh market prices combined with expected Participant needs and contracted and owned generation production resulted in budgeted MWhs increasing for non-participant energy sales in the West. Although more unit sales are expected, the lower expected \$/MWh has resulted in an overall decrease in budgeted revenues from non-participant sales in the West.

All transactions are budgeted on a monthly basis. Actual transactions occur hourly in the West and in accordance with applicable settlement increments in SPP and MISO. This disconnect between the budget process and actual application will result in variances from budget.

#### Renewables - Wind and Landfill Gas

Budgeted sales of wind energy MWhs declined due to one of Gunnison's wind contracts expiring as well as less budgeted MWh for Aspen, CO (100% Renewable).

The proposed wind energy renewables rate for Schedule M and Schedule K Participants is unchanged between years at \$51.00/MWh, derived from the costs of MEAN's wind energy resources. The rate is unchanged in the preliminary fiscal year budgets for fiscal years 2018-2019 through 2022-2023, but is subject to annual review for changes in the costs of MEAN's wind energy resources.

The Landfill Gas attribute rate is unchanged between years at \$30.00/attribute based on actual costs of the Landfill Gas Project. The rate is unchanged in the preliminary fiscal year budgets for fiscal years 2018-2019 through 2022-2023, but is subject to annual review for changes in the actual costs of the Landfill Gas Project.

### **Other Revenues**

Other revenues include administrative fees charged for scheduling and other services provided to Participants.

- **Administration Fees** - represent contracted payments to MEAN by Service Schedule Participants for scheduling services and other services provided.
- **Annual Meeting Sponsorships and Registrations** - represent MEAN's share of annual meeting revenues.
- **Asset Rent and Asset Rent Recovery** - is the rent paid to MEAN by other NMPP Energy companies for use of office space and equipment owned by MEAN.
- **MISO Excess Capacity** – is primarily related to capacity owned by Indianola, IA and Waverly, IA. Depending on market conditions, excess capacity revenues may be received but a related cost is also incurred. See also MISO Excess Capacity discussion in Purchased Power Expenses.
- **Reactive Power** – relates to ownership of Wygen I and is received quarterly.

### **Purchased Power Expenses**

Purchased power expense is detailed on the Purchased Power Expense report and consists of electric energy costs incurred for energy and capacity provided by contracted generation through power purchase and participation agreements. Depending on the terms of the agreement, costs may include a contracted price for each MWh generated, actual cost for each MWh generated, contracted share of debt service, capital, operations and maintenance (O&M) and administrative and general (A&G). The quantity purchased also varies by contract and may include a set amount or a percentage share of MWhs generated.

Costs related to market activity including purchases for load and market purchases and generation sales revenues received are also included in purchased power expense. Per accounting guidance, applicable market activity for each separately operated and settled market (currently applicable in MISO and SPP) is evaluated hourly on a net MWh basis to determine whether the hourly transaction should be classified as a net purchase or net sale.

### **Contracted Purchases**

Through PPGA, MEAN has ownership interest in WEC 2. However, the agreement is structured such that it qualifies as a contracted purchase and thus MEAN's share of the productive capacity net value and related debt is not reflected on MEAN's balance sheet.

In addition, MEAN has entered into assignment agreements, participation agreements and power purchase contracts. Related expense is budgeted based on budgeted costs provided by the plant operators and related contract terms. Variances result primarily from outages which may save on fuel costs due to fluctuation in MWh generation but often result in additional operation and maintenance expenses at these facilities and differences in timing related to capital projects. An outage schedule is provided by plant operators, however, plants often experience unplanned outages, planned outages may be extended and/or the timing of planned outages may

change which result in variances between actual results and budget. In recent years, market economics has significantly impacted the operation of contracted generation. Plant operators have been working to adapt their budget process in order to better consider these outages. Budgets provided by plant operators are also on a calendar year or fiscal year other than MEAN's fiscal year. Therefore, MEAN estimates costs for the subsequent period based on the budget provided plus an estimated percentage increase based on historical results.

Significant items related to budgeted purchased power expense are summarized below:

- **Hastings WEC 1** – expected MWh production has decreased in proposed budget to align with recent historical MWh generation. This leads to a direct decrease in fuel expense and overall costs for the unit.
- **PPGA WEC 2** – WEC 2 operators and PPGA member representatives anticipate SPP market prices to continue to remain depressed. WEC 2 has budgeted for economic outages in addition to their normal outage schedule. This leads to a direct decrease in fuel expense. Furthermore, WEC 2 is experiencing debt service savings from the 2016 PPGA bond refunding and has cash on hand available to cover capital projects and a portion of debt service.
- **PPGA WEC 2 (Hastings Assignment)** – the assignment agreement between MEAN and Hastings Utilities continues to step down from 5.0 MW to 2.0 MW effective May 1, 2017 resulting in less expense along with the impact on WEC 2 generation and costs discussed above.
- **WSEC 4 (Waverly Assignment)** – see WSEC 4 explanation under purchased power section.
- **Louisa (Waverly Assignment)** – expected MWh production has decreased in proposed budget resulting in decreased costs.
- **BHPL NS2 & Wygen III** – proposed budget has an increased capacity factor to align with recent historical capacity factors. Increasing the budgeted capacity factor increased the MWh generated. The increase in budgeted dollars is directly related to the increase in expected MWh generation.
- **NPPD GGS** – proposed budgeted costs provided by NPPD are less than fiscal year 2016-2017 current budgeted costs. GGS operators anticipate significant decreases in fuel (due in part to expected decreases in MWh production), capital and debt service.
- **NPPD CNS** – proposed budgeted costs provided by NPPD are less than fiscal year 2016-2017 budgeted costs. Proposed budget has increased MWh generation due to 2016-2017 having a large outage that 2017-2018 doesn't have budgeted. Decrease in budgeted costs results primarily from decreased O&M expenses.
- **HCPD Wessington Springs** – proposed budget includes contracted A&G adder that was not included in the current budget.
- **NPPD Ainsworth Wind** – proposed budgeted costs provided by NPPD are greater than fiscal year 2016-2017 budgeted costs. Operators noted increases in capital additions and debt service expenses.
- **NPPD Crofton Bluffs Wind** – more MWh generation in proposed budget due to an increase in historical capacity factors.
- **NPPD Elkhorn Ridge Wind** – proposed budgeted expenses align with current budgeted expenses.
- **NPPD Laredo Ridge Wind** – proposed budgeted expenses align with current budgeted expenses.
- **Landfill Gas Project** – proposed budgeted expenses align with current budgeted expenses.
- **DMEA Shavano Falls** – proposed budgeted expenses align with current budgeted expenses and include production and related costs for Drop 4 and Drop 6.
- **WAPA LAP - MEAN** – proposed budget has a decrease in expenses compared to current budget due to a decreased energy rate provided from WAPA LAP.
- **Kansas Tribe Contracts** – decreased proposed budgeted expenses due to renegotiated contract with WAPA and Kansas Tribes.

- **Other** – proposed budget includes an anticipated excess energy payment to Aspen, CO based on estimated production from Aspen’s renewables in accordance with contract terms. This change is consistent with recent actual results.
- **Participant Committed Facilities** – proposed budgeted expenses align with current budgeted expenses. Demand rates paid to Participants for accredited capacity committed to MEAN for accredited generation facilities are outlined in the Schedule of Rates and Charges and have been decreasing annually. The rate will not change further unless directed by the Board and Management Committee.
- **MISO Excess Capacity** – budgeted expenses are based on an average of historical data. As noted in the Other Revenues section above, revenues from MISO excess capacity also increase which decreases the overall net impact of market prices impacting MISO excess capacity.

### Market Activity

In SPP and MISO markets, MEAN must pay for energy generated under the terms of the related contracts as described above. MEAN must also purchase energy needed to serve MEAN’s Participant load from the market (see Purchases for Load for MISO and SPP on the Purchased Power Expenses report and the bulleted list below).

MEAN also receives revenue from each market for energy generated by MEAN’s owned and contracted generation (see Generation Sales Revenues Received for MISO and SPP on the Purchased Power Expenses report and the bulleted list below). Generation sales revenues received partially offset energy generation costs. Certain agreements, primarily MEAN’s agreements with NPPD were grandfathered agreements when SPP implemented its Integrated Marketplace (IM). As a result, revenues from generation sales for those plants are paid to MEAN by NPPD outside of the SPP market.

The RTO markets add a layer of uncertainty in energy costs. MEAN is subject to price volatility for RTO market transactions as the market sets the \$/MWh for market dependent transactions. MEAN must purchase Participant load from the applicable RTO market. Variances in actual Participant load vs. budgeted load result in variances in quantities of energy purchased in the RTO market. The RTO market pays MEAN for applicable generation sold into the RTO market. Variances in actual plant output vs. budgeted plant output result in variances in quantities of generation sales revenues received.

In addition, market prices vary greatly depending on the actual generation in the market, impact of wind, weather, loads and peak vs. off peak pricing. Historical monthly averages for on peak and off peak prices at pricing nodes where MEAN purchases for Participant load and sells MWhs generated by registered market resources were reviewed and utilized in the budget process in valuing costs of purchasing loads from the RTO market and payments received for generation sold into the RTO market. Historical price data from MISO, SPP IM and former SPP markets were utilized. As SPP refines its market and expands its footprint, dispatch patterns may change and affect prices.

MISO market purchases consist of MWh purchased in MISO to be sold in SPP via a border transaction. This action is done when there are favorable price differences between MISO and SPP.

In a similar manner, SPP market purchases consist of MWh purchased in SPP to be sold in MISO via a border transaction. However, SPP market purchases also include MWh purchased in the SPP market to satisfy the SPP Displacement agreement with WAPA where MEAN purchases MWh in SPP to serve WAPA participants in SPP, and in return WAPA supplies equal MWh to our participants in the West.

Border transactions between SPP and MISO can fluctuate day to day and can be very unpredictable in the long term. To budget for border transactions, MEAN staff has implemented a forecasting model that looks at hourly

data from the most recent 12 months and searches for hourly price variations between MISO and SPP. When a price variation is found the model outputs MWh to be moved from either SPP to MISO or MISO to SPP, depending on which market has favorable pricing, as well as the costs. The monthly MWh and costs associated are a cumulation of these price variations.

In the West, MEAN is subject to fluctuations in price volatility for the MWhs MEAN must purchase from the market to serve Participant load.

Purchase cost of energy for Participant load requirements in the West is estimated based on forward looking prices from futures and forecasting software projections.

Significant changes in Market Activity proposed budget energy expense from current budget detailed on the Purchased Power Expenses report are summarized below:

- **Purchases for Load** – budgeted MWhs are dependent on budget load for MEAN Participants within the applicable market.
  - **MISO** - budgeted loads increased compared to current budget. The expected market driven pricing \$/MWh for loads in the MISO market is less than current budget resulting in an overall decrease in budgeted energy expense compared to current budgeted expense.
  - **SPP** - budgeted loads increased slightly compared to current budget. The expected market driven pricing \$/MWh for loads in the SPP market is less than current budget resulting in an overall decrease in budgeted energy expense compared to current budgeted expense.
- **Market Purchases**
  - **MISO** – increase in MWh, but decrease in \$/MWh resulted in increase in budgeted purchase costs.
  - **SPP** – lower purchase costs budgeted due to decrease in expected MWh and \$/MWh.
  - **West** – budgeted MWhs decreased due to decreased overall load forecast in the West as well as greater generation from units in the West such as NS2 & Wygen III. The expected \$/MWh also decreased compared to current budget for an overall impact of a decrease in West Side Purchases expense.
- **Generation Sales Revenues Received** – budgeted MWhs relate directly to budgeted generation MWhs for the applicable plants within each RTO market. See also the net impact of the budgeted fluctuation in energy expense from applicable generation within the MISO and SPP markets and the related generation sales shown in the analysis section at the bottom of the Purchased Power Expenses report.
  - **MISO** – budgeted generation in MWhs for MISO generation (WSEC4, WSEC4 Waverly Assignment and Louisa Waverly Assignment) decline significantly between years based on the factors noted above for the owned and contracted purchases. The expected \$/MWh paid by the market for the generation also declines resulting in an overall significant decline in expected generation sales revenues compared to current budget.
  - **SPP** – budgeted net generation in MWhs for SPP generation (LRS Unit 1, Hastings WEC1, PPGA WEC2 and PPGA WEC2 Hastings Assignment decline, offset by NPPD CNS and various NPPD Wind increase) significantly declines between years based on the factors noted each generation unit. The expected \$/MWh paid by the market for the generation also declines. The overall result is a significant decline in expected generation sales revenues received compared to current budget.

#### Units Reconciliation

The budget process includes a reconciliation to compare budgeted Participant loads against budgeted energy purchases, on a monthly basis.

In the MISO and SPP Market, the budgeted MWhs for purchases for load reconciles against the budgeted MWhs needed to serve applicable Participant load. The budgeted MWhs are net of any WAPA allocations and behind the meter generation.

In the West, the total budgeted MWhs needed to serve Participant load is calculated and compared against expected units produced through owned and contracted purchases and applicable WAPA allocations. The difference between expected usage and expected production must be served through West side purchases and/or East side purchases in SPP captured as Market Purchases-SPP on the Purchased Power Expenses report. The budgeted quantity to purchase in the West and East is driven by the estimated market prices on a monthly basis.

### **Production Expense**

Production expense is detailed on the Production Expense report and consists of electric energy costs for generation owned by MEAN. These costs represent costs incurred in the ongoing operation of the facility and in the production of energy.

MEAN has ownership interests in Black Hills Power & Light (BHPL) Wygen Unit I, Laramie River Station (LRS), Walter Scott Jr. Energy Center Unit 4 (WSEC 4) and full ownership of the Wind Project at Kimball. The productive capacity net value of each facility and any related debt is reflected on MEAN's balance sheet. As a result, debt service and capital costs are not included in production expense.

Significant items related to budgeted production expense are summarized below:

- **BHPL Wygen Unit I** – fiscal year 2017-2018 overall proposed budgeted costs provided by the operator are consistent with fiscal year 2016-2017, however, there are sub-category dollar movements between proposed budget and current budget. Proposed budget has a decrease in fuel due primarily to lower expected production and O&M expense, but these are offset by an increase in A&G expenses.
- **LRS Unit 1**– proposed budget has a slight decrease in overall expenses due to a long budgeted outage. This outage directly leads to a decrease in fuel expense.
- **LRS Units 2 & 3** – proposed budget fuel expenses are similar to current budget, however, O&M expenses are budgeted to increase.
- **WSEC 4** – current budget reflects a 17% decrease in overall expenses. WSEC 4 plant operators anticipate 2017 MISO market prices to continue to be historically low. In anticipation of this, WSEC 4 plant operators have budgeted for economic outages, which result in significant fuel expense savings and much lower expected production.
- **Wind Project at Kimball** – Wind Project at Kimball is budgeted for operations with MEAN as owner to continue through September 2017. A request for proposals related to potential decommission and sale of the Wind Project at Kimball and replacement as a power purchase agreement (PPA) is currently outstanding. Due to current unknowns, the budget assumes market purchases when needed to serve Participant load rather than a replacement PPA.

### **Transmission Expense**

Transmission expense is detailed on the Transmission Expenses report and consists of costs to move MWhs across the electric grid. MEAN's transmission agreements include Point-to-Point (PTP) agreements where MEAN pays a set amount to access the system regardless of actual usage and Network Integration Transmission Service (NITS) contracts where MEAN pays based on actual peak load and/or actual MWhs transmitted. MEAN reports



only the pooled costs for transmission agreements. Transmission costs incurred by MEAN as agent for Participants are passed through to individual Participants and reported net in MEAN's financial statements. The Transmission Expenses report includes only the pooled transmission costs incurred and reported by MEAN. Significant changes in proposed budget for pooled costs for firm and non-firm transmission agreements from current budget are summarized by provider below:

- **Network (NITS)** – factors that change NITS year over year include changes in zonal peaks, rates and transmission expense offsets.
- **Point-to-Point Long-Term**
  - **WAPA - LAPT** – a 5MW PTP path terminates 4/1/17. After running a cost benefit analysis, it was determined not to renew this transmission path.
  - **BHPL** – increase relates to a budgeted rate increase from BHPL.
  - **NPPD** – increase due to renewal of a PTP path. Previously this path was grandfathered and MEAN received a credit equal to the cost. Effective January 1, 2017, MEAN will no longer receive these credits, causing an increase in NPPD expense.
  - **SPP** – proposed fiscal year 2017-2018 budget has been overhauled and updated to reflect all SPP transmission expenses and reflect recent historical trends.
  - **MISO** – mainly due to increase in the schedule 7 rate.
- **Point-to-Point Short-Term** – more detailed recording of transmission expense has allowed for more detailed budgeting.
- **Other**
  - **WSEC 4 – Transmission Taxes** – increase from rise in transmission taxes.
  - **WAPA Spinning Reserves** – budgeted spinning reserves decreased due to a decrease in the required MW.
- **Financial Instruments** – financial instruments include SPP Transmission Congestion Rights and Auction Revenue Rights as well as MISO Financial Transmission Rights and Auction Revenue Rights. Proposed budget has been adjusted to be more in line with recent MISO and SPP experience and reflect a conservative estimate. Activity varies based on many external factors and variances are expected.
- **Transmission Credits** – Under the MISO Tariff section 30.9, as a MISO Network Customer, MEAN receives Section 30.9 credits (transmission credits) for its assignment interest in transmission facilities. The change from current fiscal year 2016-2017 budget is related to the increase in Network Integration Transmission Service revenue requirement and associated \$/MWh, as well as a decrease in the allowed return on equity.

## **Administrative & General Expenses**

### **Administrative & General Budget Process**

The administrative and general budget is prepared annually based on strategic focus areas identified by NMPP management. Beginning in late August/early September, Accounting staff compiles historical data and populates budget templates based on information available. The management team holds a strategic planning session to review short term and long term plans across all of the NMPP Energy companies. Department directors then prepare budgets during September and October based on anticipated projects and needs resulting from the strategic focus areas discussed. The strategic focus areas identified in the proposed budget include technical complexity of the industry and needs for updates to information technology systems.

Nebraska Municipal Power Pool (NMPP), MEAN, National Public Gas Agency (NPGA) and Public Alliance for Community Energy (ACE) have entered into an agreement establishing a Joint Operating Committee (JOC) due in part to the companies sharing common staff all of which reside under NMPP payroll. By combining and sharing

their respective staffs and resources each company benefits by being able to perform obligations and responsibilities efficiently and at a lesser cost.

Duties of the JOC as detailed in the Joint Operating Committee Agreement include the following:

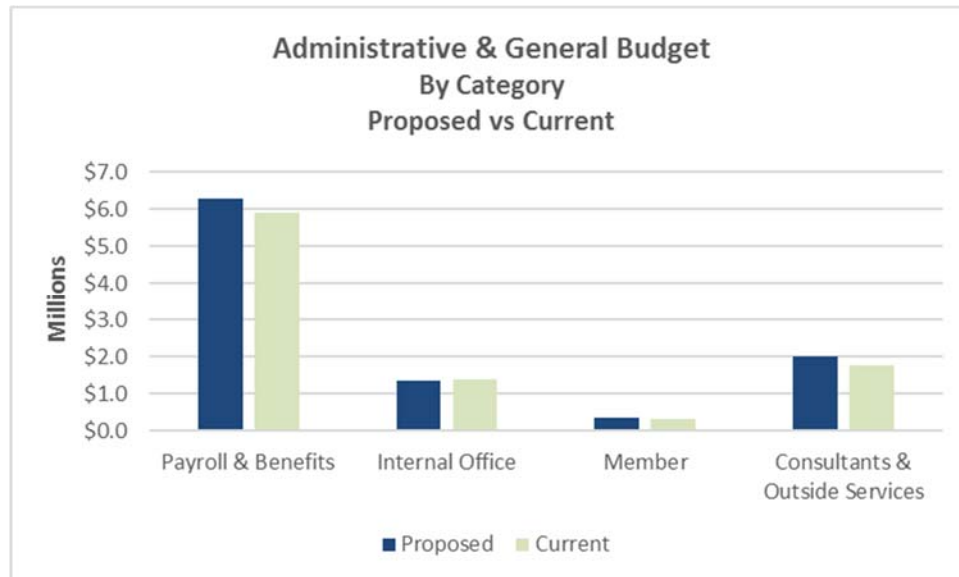
- Review and recommend, prior to the respective annual meetings, the annual administrative budgets for each of the Parties.
- Determine the allocation of expenses to be used as the basis for reimbursement for services rendered or resources utilized by a Party (NMPP, MEAN, NPGA and/or ACE).
- Approve the appropriate compensation structure and benefits of employees of NMPP.

The JOC meeting was held on November 2, 2016. The JOC received a detailed proposed administrative and general budget packet as well as additional discussion and presentation at the meeting in order to allow the JOC to fulfill the duties noted above.

Approval of the MEAN budget and rates resides with the MEAN Board of Directors and Management Committee.

#### Detailed A&G Expense Budget Analysis

For ease of analysis, MEAN breaks the administrative & general expenses into the following four categories: payroll & benefits, internal office, member and consultants & outside services. Overall, MEAN's total A&G expenses are budgeted to increase 6.7% compared to the current budget. The increase results primarily from increases to budgeted payroll & benefits, estimated legal costs for current arbitration and public records dispute and consulting and outside service projects. These items will be described in more detail below.



#### ***Allocation of Entity Wide Expenses***

Direct costs of the individual NMPP Energy companies are directly included in the administrative & general section of the respective operating budgets. Shared costs are first analyzed individually to determine the appropriate portion of the cost to allocate to each company. For costs that do not have an individually specific allocation, the “co-spread” percentage developed based on the annual employee time allocation analysis is

applied to the cost. The majority of expenses are directly attributable to an individual company. Only 6% of MEAN's proposed A&G expenses are related to shared costs of the NMPP Energy companies.

As noted above, one of the duties of the JOC as detailed in the Joint Operating Committee Agreement is to determine the allocation of expenses to be used as the basis for reimbursement for services rendered or resources utilized by a Party (NMPP, MEAN, NPGA and/or ACE). The budget packet provided to the JOC included time allocations presenting the results of the annual time analysis completed annually by each employee whose job responsibilities are not 100% dedicated to an individual company. Employees detail the amount of time spent for each of their job responsibilities by company and by project for NMPP (member, computer services, and distribution services). Time analyses are reviewed and approved by managers and then department directors. Payroll and benefit costs by employees are recorded to each company based on the estimated time spent by each individual. Individual allocations are reviewed and updated during the fiscal year if changes to job responsibilities occur. Changes in time allocations result in increases or decreases in payroll and benefits costs for each company. Based on the current budget total of approximately \$7.8 million, a 1% change would be approximately \$78,000. Actual impact on payroll and benefits costs to each company will vary as the allocation percentages are established for each individual employee.

The time allocations are used to develop a percentage for each company which is known as the "co-spread" percentage. The "co-spread" percentages noted below are used to allocate the expense for shared activities that are not directly attributable to individual companies. Examples of such items include conferences & training, dues & subscriptions, equipment lease and maintenance, insurance, office supplies, postage, telecommunications, software licenses, etc.

	Fiscal Year		
	2017-2018	2016-2017	2015-2016
MEAN	75.3%	74.2%	73.2%
NPGA	5.6%	6.3%	7.3%
ACE	7.4%	8.1%	8.8%
NMPP	11.7%	11.4%	10.7%

As MEAN continues to increase the amount of staff required to meet their needs and workload shifts occur related to the rapid changes in the electric industry, MEAN's share of the allocated expenses increases. Budgeted allocated expenses have averaged \$780,000 over the last three years. Therefore, the changes in allocated costs to MEAN related to increases in MEAN's allocation percentage are less than \$8,000 annually. A detailed listing of budgeted positions that charge time to MEAN is included in the Staffing section of the budget packet.

### ***Payroll & Benefits***

Payroll and benefits consists of gross wages, employer payroll taxes and costs of benefits provided by NMPP to each employee. As discussed above, one of the duties of the JOC is to approve the appropriate compensation structure and benefits of employees of NMPP. The annual review and approval for any changes in compensation structure and benefits was part of the JOC meeting on November 2, 2016. The proposed budget does not include any changes in compensation structure and benefits (other than limiting impact to the NMPP Energy companies for the increase in health care costs to no more than 13% over 2016 costs for currently insured employees), nor were any other changes proposed by staff for approval at the JOC meeting that would impact the proposed budget. The proposed payroll & benefits budget for MEAN increases 6.6% when compared to the current budget due to a combination of the various factors noted below.

### Compensation Structure

NMPP Energy's compensation structure includes pay ranges for each NMPP position. The midpoints, or Guide Rates, of pay ranges are targeted at the 50<sup>th</sup> percentile of the market. Consultants have been used in recent years to review and evaluate the compensation structure and pay ranges. Human Resources utilizes pay budget surveys from several sources -- World at Work, Korn Ferry (formerly Hay Group), SilverStone Group -- to review annual pay range movement. Salary surveys from Korn Ferry, APPA, Lincoln Human Resources Management Association, Western Management Group Utility Survey, and Kenexa are used to evaluate pay. The change in pay ranges for all NMPP positions in the proposed budget is a 2% increase to Guide Rates (Fiscal Year 2016-2017 was 2% and Fiscal Year 2015-2016 was 3%).

NMPP personnel receive pay adjustments annually, each April 1<sup>st</sup>. A change in the pay range does not equate to an automatic increase in pay for employees. Actual adjustments in pay are based on each individual's performance. The percentage increase for each employee therefore varies depending on their individual performance and where the employee's pay resides within their position pay range. The average increase related to anticipated performance and pay equity adjustments is 3.84% in the proposed budget (Fiscal Year 2016-2017 was 3.77% and Fiscal Year 2015-2016 was 5%).

The compensation of the Executive Director is based on policy adopted by the JOC and the pay range and individual compensation is established annually by the JOC.

### Benefits

NMPP Energy's benefits include the following:

- **Recognition Pay** – Retaining top performers and critical-skill employees is a key strategy for NMPP to fulfill its mission of service to NMPP Energy member communities. All awards require review and approval by the Executive Director. The size of awards will vary based on the achievement. Total recognition pay awarded to an individual employee during the fiscal year will not exceed 5% of the individual's base pay. As these funds are discretionary and not always awarded, the budget includes 50% of the total pool based on historical results.
- **Health Care** – NMPP's medical plan is provided by Blue Cross Blue Shield of NE (BCBS) and uses the BCBS PPO Network. The plan is a high deductible health plan. Along with the high deductible health plan, NMPP also offers a Health Savings Account (HSA). The proposed budget anticipated limiting the impact of increases in health care costs, thus is consistent with the direction of the JOC discussed above.
- **Dental Care** – NMPP's dental plan is provided through Delta Dental which gives access to two PPO networks.
- **Life, Accidental Death and Dismemberment (AD&D) Insurance** – Life and AD&D coverages are both provided. Employees also have the option of purchasing additional supplemental life and AD&D at their own expense.
- **Short-Term and Long-Term Disability Insurance** – NMPP has always had long-term disability insurance in place, but short-term disability was added in 2016 after approval by the JOC. NMPP pays 100% of the premium cost of STD and LTD coverage.
- **Vision Plan** – NMPP offers a voluntary vision plan through Ameritas Group. NMPP does not pay any of the costs of this voluntary plan.
- **Tuition Reimbursement** – NMPP offers educational assistance so that employees can maintain and improve job-related skills or enhance their ability to compete for reasonably attainable jobs within NMPP. As one employee is currently participating in the program, funds were added to the proposed budget.

- **NMPP Savings Plan** – NMPP offers a 401(k) plan to let employees build tax-deferred retirement savings. Employees must contribute 6% of pay to join the plan. NMPP matches \$1.50 to every \$1.00 contributed by employees on the first 6% of pay, thus contributing 9%.
- **NMPP Energy Bonus Plan** – the plan was suspended by the JOC in November 2015 upon recommendation by staff. The annual budget does not include costs related to the NMPP Energy Bonus Plan nor have any payouts been awarded under the plans since Fiscal Year 2010-2011.

#### Budgeted Positions

A listing of current and unfilled budgeted positions are included in the budget packet in the Staffing section. The payroll & benefits budget assumes all positions will be filled each day of the fiscal year. This assumption is the primary reason for significant actual vs. budget variances in recent fiscal years as budgeted positions were not always filled as anticipated.

As of December 1, 2016 the following MEAN current budget positions are unfilled:

- **West Systems Analyst** – This position will perform settlement responsibilities for the evolving markets serving MEAN Participants in the West. These markets are still evolving, so hiring may not take place until Fiscal Year 2017-2018.
- **MEAN Scheduling & Outage Analyst/Generation Contracts Specialist** – job responsibilities include analyzing resources and transmission, opportunities and efficiencies in market transactions, developing relationships with generators, monitoring financial and operational performance of units, and ensuring compliance with contract provisions. Individual will recommend actions and strategies for the next month and up to five years forward based on resource performance, load requirements and forecast (weather, market, and transmission) condition reports. Also expected to participate in relevant internal and external (industry committees and working groups) meetings.

The proposed budget includes two new positions that will impact MEAN, one of which (Risk Analyst) is a replacement for a current budgeted position, Director of Risk Management, whose job responsibilities were combined with and assumed by an existing staff member.

- **Risk Analyst** - The responsibilities of the former Director of Risk Management have been assumed by our Risk, Compliance, and Regulatory Counsel. With the redefinition of that job, assistance with analysis is needed to fulfill organizational risk management responsibilities. This would be a full-time position, 100% allocated to MEAN.
- **Videography Assistance** – This temporary part-time position would assist Communications with the development of marketing, website, and social media materials and would be allocated across all of the NMPP Energy entities, with approximately 74.2% of time spent on MEAN.

The following table shows budgeted full-time equivalent positions in total and by company:

<u>Fiscal Year Budget</u>	<u>Total</u>	<u>MEAN</u>	<u>NPGA</u>	<u>ACE</u>	<u>NMPP</u>
2017 - 2018	65.5	49.2	3.7	4.9	7.7
2016 - 2017	65	48.2	4.1	5.3	7.4
2015 - 2016	65	47.6	4.8	5.7	6.9

### ***Internal Office***

The internal office category includes costs of maintaining an office including necessary office equipment and employee related costs such as conferences and training, travel and related costs, etc. A detailed listing of these costs is included within the various pages of the budget packet. In total, internal office decreased from the current budget by only 1.7%; however, a number of individual line items had more significant fluctuations.

- **Company Vehicles** – represents reimbursement to MEAN for use of company vehicles owned by MEAN. Minimal changes to proposed budget compared to current budget.
- **Conferences & Training** – increased compared to current budget and compared to projected (projected is difficult to determine due to cyclical nature). Current budget included leadership and manager/supervisor training, not all of which will be used in the current year. Dollars were added to the proposed budget in order to provide more opportunity for member involvement in APPA's National Conference and Legislative Rally.
- **Dues & Subscriptions** – consists of costs for belonging to various professional, trade and working groups. MEAN costs include organizations such as NERC/MRO, TAPS, SPP, WECC/Peak and CREDA/LACA. Fluctuation compared to current and projected is less than 10%.
- **Equipment Lease & Maintenance** – decreased compared to both current budget and projected. Technology related costs are cyclical resulting in larger swings year to year. Improvement in technology capabilities has been identified as a strategic need due in part to cybersecurity risks, efficient data management needs and regulatory requirements regarding analysis and support. This category also includes office and other equipment purchases that do not meet the capitalization threshold of \$2,500 per unit.
- **Glynoaks Operations** – this line captures the operating costs of the Glynoaks building including repairs & maintenance, cleaning, utilities, professional services and common area maintenance. The increase relates to an increase in cleaning costs.
- **Insurance** – insurance packages are purchased to manage risks of the organizations. Insurance costs increased compared to current budget and projected due to a general rise in costs.
- **Miscellaneous** – costs that do not fall within one of the identified categories are reported as miscellaneous. Fluctuation compared to current and projected is less than \$5,000.
- **Office Supplies & Postage** – office supplies include standard office products including paper. Fluctuation compared to current and projected is minimal. The overall postage budget was decreased in the current budget as more items are being delivered electronically; however, the budget had been decreased too much based on current projections.
- **Reimbursement/Reclass – PPGA** – MEAN personnel serve an agent role for PPGA WEC2 and as a result time spent fulfilling such duties is reimbursable from PPGA. As the time spent annually varies, the estimated reimbursement is not included in the annual budget.
- **Telecommunications** – increased compared to current budget to be consistent with projected. Costs have been higher than expected due in part to taxes and other fees on bills.
- **Travel, Lodging & Meals** – consistent with current budget and greater than projected (projected is difficult to determine due to cyclical nature). Costs relate to active participation in various industry working groups, staying abreast of rapid changes within the industry and meeting the needs of members and participants through on-site visits.

### ***Member***

The member category includes costs related to advertising and sponsorships, holding the annual meeting and Board of Directors and committee meetings, providing communication, education and scholarships, rebate programs and payment of industry dues for Participants. A detailed listing of these costs is included within the various pages of the budget packet.

- **Advertising – Corporate Image** – costs include promotional items for various products and services and sponsorships of trade association events. Fluctuation compared to current and projected is less than \$10,000.
- **Annual Meeting** – the annual meeting cost is shared by all NMPP Energy companies. Total proposed budget of \$37,500 is \$5,000 more than the current budget. A portion of the cost is recovered through sponsorship and registration revenues received which are budgeted to increase nearly \$13,000 due in part to the meeting being in Lincoln in 2018.
- **Board & Committee Meetings** – the decrease in budgeted costs is due to decreased JOC costs based on projections. MEAN's costs are expected to stay the same primarily due to the active involvement of the various MEAN committees including the Ad Hoc committee.
- **Member Communications** – the majority of the cost relates to publication of the Essent newsletter. Fluctuation compared to current and projected is less than \$5,000.
- **Member Dues** – consistent with prior year, the proposed budget includes APPA Member Dues & DEED dues for MEAN Participants. The Services Committee recommended MEAN continue to pay the dues for Schedule M and Schedule K Participants at the September 2016 meeting. Fluctuation compared to current and projected is a result of increases by APPA.
- **Member Education** – no costs are budgeted as staff expects to utilize a training system used by MEAN to administer compliance training for staff that may also be used to deliver training programs to Participants.
- **Member Scholarships** – MEAN offers scholarships to assist Participant communities with training and participation in industry conferences. This expense is subject to annual review and recommendation by the MEAN Services Committee. At their September 2016 meeting, the Services Committee recommended MEAN continue to provide scholarships at the current overall budget level and also provided further parameters for the use of the total scholarship funds. Actual costs vary depending on the level of utilization by Participant communities.
- **Rebates Paid** – the MEAN Services Committee at their September 2016 meeting recommended the proposed budget include costs for another year of the commercial lighting program. The program is expected to run for three years and began in 2016-2017.

### ***Consultants & Outside Services***

Consultants & outside services include contracted consultants and costs related to outside services provided to the companies. A detailed listing of these costs is included within the various pages of the budget packet. In recent years, these items have been broken out further in order to assist with analysis and better capture the types of costs incurred. The categories are described below and further detail is included for those comprising the majority of the fluctuation in budgeted costs.

- **Audit & Consulting** – these costs relate to the costs for the annual financial statement audit and occasional accounting consultation. Proposed costs have declined slightly compared to current due to the final terms of the contract with BKD after results of the request for proposal process completed in the Fall of 2015. The JOC approved an extension of services with BKD through March 31, 2020.
- **Financing** – these costs result from MEAN's line of credit and standby letters of credit and costs associated with outstanding bonds such as trustee fees, bond arbitrage calculations, financial advisor services and rating agency annual monitoring fees. Increase relates to additional trustee fees on new bond series.
- **Legal** – represents budgeted legal projects requiring outside counsel. Costs related to litigation/dispute/arbitration are budgeted only with regards to ongoing disputes at the time the budget was being prepared, based on estimates of legal costs. Proposed budget and projected costs have increased due to current arbitration and public records dispute.

- **Lobbying** – represents costs for outside lobbyist contracts. One contract focuses on Nebraska legislation, as each NMPP Energy company is formed under the laws of the State of Nebraska. A second contract, added in Fiscal Year 2016-2017, focuses on Iowa legislation, as MEAN has an increased presence within Iowa, and wants to remain informed on legislative activity occurring there. Internal resources are used for other state and federal energy issues. Increase relates to the addition of the outside lobbyist in Iowa.
- **NMPP Contract Services** – MEAN contracts with NMPP to provide various services including funding the support portion of the NMPP Computer Services Value Support Plan for Schedule M and Schedule K Participants, paying 50% of the total contract price for Schedule M and Schedule K Participants who contract with NMPP for a cost of service/rate design study and contracting with NMPP to provide energy audits. These services are subject to review and recommendation by the MEAN Services Committee annually. The Services Committee recommended continued funding at their September 2016 meeting. Budgeted costs fluctuate annually based on anticipated utilization of the related services.

<b>Contract Service</b>	<b>Proposed Budget</b>	<b>Current Budget</b>	<b>\$ +/-</b>	<b>% +/-</b>
Value Support Plan	\$106,000	\$89,000	\$17,000	19.1%
Cost of Service/Rate Design Study	59,229	69,015	(9,786)	(14.2)%
Energy Audits	120,000	120,000	-	0%
<b>Total</b>	<b>\$285,229</b>	<b>\$278,015</b>	<b>\$7,214</b>	<b>2.6%</b>

- **Other** – includes various consultant and outside service projects that don't fall within other identified categories. Historically, not all budgeted consultant and outside service costs have been incurred due in part to time constraints, as well as cost containment efforts. The following table details MEAN's share of other consultants & outside services by department:

<b>Department</b>	<b>Proposed Budget</b>	<b>Current Budget</b>	<b>\$ +/-</b>	<b>% +/-</b>
Communications	\$8,958	\$6,454	\$2,504	39%
Electric	323,940	291,500	32,440	11%
Executive	1,279	1,261	18	1%
Finance & Accounting	43,500	36,500	7,000	19%
Human Resources & Support Services	46,747	18,319	28,428	155%
Information Technology	108,864	110,156	(1,292)	(1%)
<b>Total</b>	<b>\$533,288</b>	<b>\$464,190</b>	<b>\$69,098</b>	<b>15%</b>

- **Communications** – newspaper clipping services and NMPP Energy website hosting. Increase relates to work to update the NMPP Energy website.
- **Electric** – includes regional market consulting (approximately \$2,500 increase), engineering and planning consultants (no change), monitoring of day ahead and real-time market pricing impacts (minimal change) and meter maintenance (minimal change). Removed statistical analysis on pricing patterns (decrease of approximately \$18,000), began outsourcing work related to URGE testing to a third party vendor, added \$40,000 to the budget for second year of work. Projected includes approximately \$100,000 but expect costs will decrease in the second year.
- **Executive** – includes potential legislative event and governance assistance (no change)
- **Finance & Accounting** – bank charges; increase relates to additional funds in the bank. Increase is offset in part by additional expected interest earnings.
- **Human Resources & Support Services** - proposed consists of mail house services (no change), payroll administration (no change), applicant tracking and background checks (\$1,000 increase), and employee programs (no change). Removed FMLA administration (decrease of \$1,500). Increase relates to \$33,000 for bi-annual wage analysis by outside firm, \$5,000 for temporary



staffing help (allocated and ACE campaign), and \$2,250 for miscellaneous surveys. MEAN's share of all of these allocated items is the total shown in the table above.

- **Information Technology** – includes business interruption/disaster recovery site and offsite backup, various hosting services and technical assistance. Decrease relates to discontinued services offsetting increases in remaining services.
- **Regulatory & Compliance** – this category was added in recent years to track costs spent on consulting and other projects directly related to regulatory & compliance requirements and risk management. The proposed budget includes costs for data consulting to assist with monitoring of risk limits; however, costs are lower than current budget due to less anticipated usage of other regulatory & compliance related consultants.
- **Software, Licenses, Maintenance & Support** – this category was also added in recent years to separately track these costs. The proposed budget decreased compared to current budget and projected as we work to discontinue older services we no longer need, consolidate other services, and begin newer services over longer terms which provides costs savings. All companies will be impacted by an anticipated move toward more cloud base subscriptions. In the long term, this move is expected to decrease the level of investment required in hardware. MEAN is continuing evaluation of the most efficient uses of software systems for critical management of data, required documentation of modeling, forecasting and decision making, and settlements in the regional transmission organization market environment.

### **Capital Purchases and Additions**

Timing of capital purchases and additions may vary significantly from budget. Budgets for productive capacity capital and contracted generation capital are developed by plant operators. The timing of projects is often dependent on the operating conditions of the plant and may be started early or delayed.

#### **MEAN Capital Assets**

The proposed NMPP Energy capital budget for capital items (purchases individually exceeding \$2,500 and having a useful life in excess of one year) are presented for items shared by all NMPP Energy companies as well as specific to individual companies. NMPP management also works to develop estimates of capital purchases and additions for an additional four fiscal years in order to present an anticipated five year capital plan.

Capital asset purchases consist primarily of office furniture replacements, replacement of company owned vehicles on a rotation basis, information technology needs including rotating storage area network and network appliance additions and replacements, and costs associated with customized contract software (CORPUS). The proposed budget also includes costs for MEAN's metering needs in the next year including a proposed metering system due to the expected rise of distributed generation as discussed by the Ad Hoc Committee.

Capital assets purchased that are not utilized 100% by MEAN are factored into the annual asset rent calculation. NMPP Energy companies pay rent to MEAN for their allocated share of the building, including related operating costs, as well as use of furniture, equipment and vehicles.

#### **Productive Capacity Capital Assets**

See the Annual Capital Budget report for expected cash outlay for MEAN's share of costs obtained from capital budgets provided by plant operators. As the capital budgets provided are not on the same fiscal year as MEAN's, estimating when the actual cash outlay will occur is difficult and likely to vary from budget.

- **Laramie River Station** – fiscal year 2017-2018 includes Selective Catalytic Reduction (SCR) for Unit 1. Units 2 and 3 are moving forward with Selective Non-Catalytic Reduction (SCNR) rather than SCR, which led to significant savings compared to previous capital budget estimates. The SCR project for Unit 1 is a multi-year project so significant dollars are included in fiscal year 2018-2019 as well.
- **BHPL Wygen Unit I** – a major outage is scheduled in 2018 leading to increased expenses in fiscal year 2018-2019 for large scheduled repairs and upgrades including work on turbines, air heater baskets, duel fluid nozzle and pulverizers.
- **WSEC 4** – fiscal year 2017-2018 capital dollars are higher compared to other years due to SCR catalyst replacement and Distributed Control System (DCS) computer replacements.
- **Wind Project at Kimball** – projected fiscal year 2016-2017 includes a rough estimate of costs that may be incurred to decommission the turbines. If incurred, these would be operating rather than capital costs.

#### Contracted Generation Capital Costs

See the Annual Capital Budget report for capital costs included within purchased power expenses for contracted generation for which the agreement requires MEAN to pay for the applicable participation share of capital and debt service. As MEAN does not own the related generation, the capital costs are recorded as expenses in the year incurred. NPPD does not provide a capital budget beyond the next calendar year. Therefore, the amounts included are estimated based on the most recent fiscal year.

- **Hastings WEC 1** – major capital projects include replacing plant switchgear, replacing oil skid and replacing fuel oil tank.
- **PPGA WEC 2 and PPGA WEC 2 (Hastings Assignment)** – PPGA currently is using bond proceeds to cover capital expenses for calendar year 2017. Starting in calendar year 2018, MEAN will begin to pay cash for capital expenses. 2018 capital mainly consists of replacing fabric filter bags, replacing cages for bag houses and replacing air heater cold end baskets. MEAN's obligation under the assignment continues to step down as discussed above.
- **NPPD CNS** – NPPD only provides capital projects for calendar year 2017. Large 2017 projects include High Pressure Coolant Injection (HPCI) Governor Control System, atmosphere monitor, new governor valves, replace telephone system and general capital projects.
- **NPPD GGS** – NPPD only provides capital projects for calendar year 2017. Large 2017 projects include evaporation pond rehabilitation and general capital projects.

#### Debt Service

Debt service costs are included in the FCRC. See the Debt Service report for scheduled principal and interest payments for MEAN's outstanding debt. In addition, the report includes MEAN's share of debt service costs which are included within purchased power expenses for contracted generation for which the agreement requires MEAN to pay for the applicable participation share of capital and debt service. As MEAN does not own the related contracted generation, the debt service costs are recorded as expenses in the year incurred. NPPD does not provide a debt service schedule beyond the next calendar year. Therefore, the amounts included are estimated based on the most recent fiscal year.

**Municipal Energy Agency of Nebraska**  
**Revenue Requirement and Coverage Analysis**  
**As of December 2016**

	Projected 2016-2017	Proposed 2017-2018	Preliminary				
			2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
<b>Revenue Requirement</b>							
Revenue Requirement - Cash Basis	\$ 109,463,670	\$ 113,551,870	\$ 111,118,977	\$ 108,910,427	\$ 108,332,685	\$ 110,529,360	\$ 111,446,890
Revenue Requirement - Utility Basis	\$ 117,313,075	\$ 118,622,589	\$ 115,325,158	\$ 115,662,534	\$ 114,631,462	\$ 116,565,394	\$ 114,816,555
Revenue Requirement - Targeted	\$ 116,700,794	\$ 114,504,205	\$ 114,018,431	\$ 111,878,214	\$ 111,755,396	\$ 111,869,294	\$ 110,933,116
% increase / (decrease)		-1.9%	-0.4%	-1.9%	-0.1%	0.1%	-0.8%
<b>Net Revenue / (Loss)</b>							
	\$ 4,303,852	\$ 2,163,862	\$ 4,509,624	\$ 6,162,531	\$ 5,707,202	\$ 1,609,933	\$ 1,314,284
<b>Change in Operating Cash</b>							
	\$ 419,061	\$ (1,329,367)	\$ 1,147,662	\$ 6,521,106	\$ 4,173,523	\$ 2,093,219	\$ 232,766
<b>Debt Service Coverage - policy target of 1.20X; requirement of 1.00X</b>							
With Rate Stabilization - General & Capital	1.56	1.29	1.47	1.56	1.54	1.28	1.25
Without Rate Stabilization - General & Capital	1.41	1.21	1.38	1.56	1.54	1.28	1.25
<b>Fixed Costs Coverage - unofficial target of 1.10X</b>							
With Rate Stabilization - General & Capital	1.22	1.12	1.19	1.21	1.20	1.11	1.10
Without Rate Stabilization - General & Capital	1.16	1.08	1.16	1.21	1.20	1.11	1.10
<b>Rate Stabilization Fund - Capital - pending policy target of average 5 year capital budget</b>							
Target - Average 5 year capital budget	\$ 3,087,393	\$ 2,590,363	\$ 2,029,063	\$ 1,917,587	\$ 1,923,116	\$ 2,114,850	\$ 2,000,000
Annual Addition To/(Use Of) Rate Stabilization Funds	(2,000,000)	(979,275)	(1,114,022)	-	-	-	-
Balance - End of Fiscal Year	2,792,702	1,813,427	699,405	699,405	699,405	699,405	699,405
% Achieved	90%	70%	34%	36%	36%	33%	35%
<b>Rate Stabilization Fund - General - policy target of 15% of operating expenses (cash expenses, no pass throughs, no capital)</b>							
Target - 15% of Operating Expenses	\$ 16,558,118	\$ 16,729,886	\$ 16,131,734	\$ 15,968,900	\$ 15,930,178	\$ 16,299,134	\$ 16,040,375
Annual Addition To/(Use Of) Rate Stabilization Funds	-	-	-	-	-	-	-
Balance - End of Fiscal Year	16,359,710	16,359,710	16,359,710	16,359,710	16,359,710	16,359,710	16,359,710
% Achieved	99%	98%	101%	102%	103%	100%	102%
<b>Combined Capital &amp; General Rate Stabilization</b>							
Target	\$ 19,645,511	\$ 19,320,249	\$ 18,160,798	\$ 17,886,486	\$ 17,853,294	\$ 18,413,984	\$ 18,040,375
Balance - End of Fiscal Year	19,152,412	18,173,137	17,059,115	17,059,115	17,059,115	17,059,115	17,059,115
% Achieved	97%	94%	94%	95%	96%	93%	95%
<b>Unrestricted Cash - pending minimum balance policy targets (based on # of days)</b>							
Cash Operating Expenses	60 \$ 18,145,883	\$ 18,334,122	\$ 17,678,613	\$ 17,500,164	\$ 17,457,730	\$ 17,862,065	\$ 17,578,493
Pass Through Expenses	45 2,449,589	2,349,618	2,438,816	2,539,792	2,656,943	2,771,137	2,896,948
Total minimum target	20,595,471	20,683,739	20,117,429	20,039,956	20,114,673	20,633,203	20,475,442
Operating Cash Balance	23,284,650	21,955,283	23,102,945	29,624,051	33,797,573	35,890,792	36,123,558
% Achieved	113%	106%	115%	148%	168%	174%	176%

**Municipal Energy Agency of Nebraska  
Proposed Budget & Rates  
Statement of Revenues & Expenses  
Fiscal Year 2017-2018**

	Proposed Budget	Current Budget	Proposed vs. Current		Projected Fiscal Year 2016-2017
			+/-	% +/-	
<b>Electric Energy Sales - MWh's</b>					
Schedule M	1,517,100	1,574,750	(57,650)	-3.7%	1,572,634
Schedule K	97,169	103,480	(6,311)	-6.1%	101,134
Schedule J	49,185	30,603	18,582	60.7%	37,173
Non-Participants	149,272	133,283	15,989	12.0%	167,514
Renewables - Wind	127,215	130,856	(3,641)	-2.8%	132,480
Landfill Gas - Energy	1,008	1,008	-	0.0%	1,008
Total Electric Energy Sales - MWh's	1,940,949	1,973,980	(33,031)	-1.7%	2,011,943
<b>Operating Revenues</b>					
Electric Energy Sales					
Schedule M	\$ 104,415,714	\$ 105,773,064	\$ (1,357,350)	-1.3%	\$ 105,729,786
Schedule K	7,799,216	7,667,730	131,486	1.7%	7,574,871
Schedule J	2,433,026	1,581,856	851,170	53.8%	1,862,271
Non-Participants	3,257,406	3,454,936	(197,530)	-5.7%	4,384,234
Renewables - Wind	6,487,946	6,687,642	(199,696)	-3.0%	6,771,097
Landfill Gas - Energy	41,112	38,268	2,844	7.4%	38,271
Landfill Gas - Attributes	401,760	401,760	-	0.0%	401,760
Total Electric Energy Sales	124,836,180	125,605,256	(769,076)	-0.6%	126,762,290
Transfer From / (Provision For) Rate Stabilization					
Rate Stabilization - General	-	-	-	100.0%	-
Rate Stabilization - Capital	979,275	2,000,000	(1,020,725)	-51.0%	2,000,000
Rate Stabilization - RITA	1,310,000	1,260,000	50,000	4.0%	1,260,000
Total Transfer From / (Provision For) Rate Stab	2,289,275	3,260,000	(970,725)	-29.8%	3,260,000
Other	683,695	499,932	183,763	36.8%	1,015,860
Total Operating Revenues	127,809,150	129,365,188	(1,556,038)	-1.2%	131,038,150
<b>Operating Expenses</b>					
Electric Energy Costs					
Purchased Power	78,490,231	77,736,520	753,711	1.0%	77,838,645
Production	17,554,954	19,086,694	(1,531,740)	-8.0%	18,311,655
Transmission	5,528,099	5,134,911	393,188	7.7%	5,098,397
Total Electric Energy Costs	101,573,284	101,958,125	(384,841)	-0.4%	101,248,697
Administrative & General Expenses					
Payroll & Benefits	6,273,013	5,887,000	386,013	6.6%	5,412,834
Internal Office	1,344,191	1,367,613	(23,422)	-1.7%	1,263,252
Member	339,948	322,043	17,905	5.6%	299,701
Consultants & Outside Services	2,002,137	1,753,443	248,694	14.2%	2,162,968
Total Administrative & General Expenses	9,959,289	9,330,099	629,190	6.7%	9,138,755
Depreciation and Amortization	6,939,255	7,268,457	(329,202)	-4.5%	7,237,631
Total Operating Expenses	118,471,828	118,556,681	(84,853)	-0.1%	117,625,083
<b>Operating Income/(Loss)</b>	9,337,322	10,808,507	(1,471,185)	-13.6%	13,413,067
<b>Nonoperating Revenues/(Expenses)</b>					
Net Costs To Be Recovered in Future Periods	(1,044,748)	(786,465)	(258,283)	32.8%	(1,650,878)
Investment Return	398,600	315,700	82,900	26.3%	427,905
Interest Expense	(7,007,720)	(8,094,858)	1,087,138	-13.4%	(7,788,862)
Amort. of Def. Cost of Ref. Debt & Bond Issue Costs	480,408	453,634	26,774	5.9%	(115,064)
Other	-	-	-	0.0%	17,685
Net Nonoperating Revenues/(Expenses)	(7,173,460)	(8,111,989)	938,529	-11.6%	(9,109,215)
<b>Net Revenue / (Loss)</b>	\$ 2,163,862	\$ 2,696,518	\$ (532,656)	-19.8%	\$ 4,303,852

**Municipal Energy Agency of Nebraska**  
**Proposed Budget & Rates**  
**Electric Energy Sales**  
**Fiscal Year 2017-2018**

	Revenues				Units*	Per Unit**	Projected
	Proposed	Current	Proposed vs. Current		Proposed vs. Current		Fiscal Year
	Budget	Budget	\$ +/-	% +/-	% +/-	% +/-	2016-2017
							Revenues
Schedule M							
Fixed Cost Recovery Charge	\$ 41,769,244	\$ 42,154,052	\$ (384,808)	-0.9%	-4.1%	N/A	\$ 42,154,051
Energy							
Flat Rate	52,181,659	50,751,708	1,429,951	2.8%	-4.3%	7.4%	50,587,646
Support	10,464,811	12,867,304	(2,402,493)	-18.7%	-0.2%	-18.5%	12,988,089
Total Energy	62,646,470	63,619,012	(972,542)	-1.5%	-3.7%	2.2%	63,575,735
Total Schedule M	104,415,714	105,773,064	(1,357,350)	-1.3%		2.5%	105,729,786
Schedule K							
Fixed Cost Recovery Charge	3,630,756	3,456,160	174,596	5.1%	-5.1%	N/A	3,456,160
Energy							
Flat Rate	3,896,962	3,883,216	13,746	0.4%	-6.6%	7.4%	3,788,440
Support	271,498	328,354	(56,856)	-17.3%	1.4%	-18.5%	330,271
Total Energy	4,168,460	4,211,570	(43,110)	-1.0%	-6.1%	5.4%	4,118,711
Total Schedule K	7,799,216	7,667,730	131,486	1.7%		8.3%	7,574,871
Schedule J							
Energy	2,433,026	1,581,856	851,170	53.8%	60.7%	-4.3%	1,862,271
Total Schedule J	2,433,026	1,581,856	851,170	53.8%		-4.3%	1,862,271
Non-Participants							
Energy							
East							
MISO	267,352	778,217	(510,865)	-65.6%	-67.5%	5.7%	1,114,581
SPP	2,072,263	1,677,456	394,807	23.5%	62.9%	-24.2%	1,973,572
Total East	2,339,615	2,455,673	(116,058)	-4.7%	14.5%	-16.8%	3,088,153
West	917,791	999,263	(81,472)	-8.2%	4.8%	-12.4%	1,293,153
RMRG	-	-	-	0.0%	0.0%	-	2,929
Total Non-Participants	3,257,406	3,454,936	(197,530)	-5.7%	12.0%	-15.8%	4,384,234
Renewables - Wind							
Schedule M	4,748,999	4,948,695	(199,696)	-4.0%	-3.8%	-0.3%	5,032,150
Schedule K	1,738,947	1,738,947	-	0.0%	0.0%	0.0%	1,738,947
Total Renewables - Wind	6,487,946	6,687,642	(199,696)	-3.0%	-2.8%	-0.2%	6,771,097
Landfill Gas - Energy							
Schedule M	41,112	38,268	2,844	7.4%	0.0%	7.4%	38,271
Total Landfill Gas - Energy	41,112	38,268	2,844	7.4%	0.0%	7.4%	38,271
Landfill Gas - Attributes							
Schedule M	401,760	401,760	-	0.0%	0.0%	0.0%	401,760
Total Landfill Gas - Attributes	401,760	401,760	-	0.0%	0.0%	0.0%	401,760
Total Electric Energy Sales	\$ 124,836,180	\$ 125,605,256	\$ (769,076)	-0.6%	-1.7%	1.1%	\$ 126,762,290
Electric Energy Sales Summary							
Total Participants	121,578,774	122,150,320	(571,546)	-0.5%	-2.7%	2.3%	122,378,056
Total Non-Participants	3,257,406	3,454,936	(197,530)	-5.7%	12.0%	-15.8%	4,384,234
Total Electric Energy Sales	\$ 124,836,180	\$ 125,605,256	\$ (769,076)	-0.6%	-1.7%	1.1%	\$ 126,762,290
Total Fixed Cost Recovery Charge (FCRC)	\$ 45,400,000	\$ 45,610,212					\$ 45,610,211
FCRC as % of Total Electric Energy Sales	36%	36%					36%

## Units\*

Demand - Kw (% change shown on FCRC line for info only)  
Energy - MWh  
Energy Attributes - Attributes

## Per Unit\*\*

Total Schedule M/K/J - Cost per total MWh sold for info only  
LFG Attributes - Cost per attribute  
Total Electric Energy Sales - Cost per total MWh sold for info only

**Municipal Energy Agency of Nebraska  
Proposed Budget & Rates  
Other Revenues  
Fiscal Year 2017-2018**

	Proposed Budget	Current Budget	Proposed vs. Current		Projected Fiscal Year 2016-2017
			\$ +/-	% +/-	
<b>Other Revenues</b>					
Administration Fees	\$ 317,939	\$ 301,144	\$ 16,795	5.6%	\$ 306,847
Annual Meeting Sponsorships & Registrations	23,242	13,324	9,918	74.4%	13,324
Asset Rent & Asset Rent Recovery	111,702	120,464	(8,762)	-7.3%	115,674
MISO Excess Capacity	180,812	-	180,812	100.0%	514,844
Other	-	-	-	100.0%	8,486
Reactive Power	50,000	65,000	(15,000)	-23.1%	56,685
Total Other Revenues	<u>\$ 683,695</u>	<u>\$ 499,932</u>	<u>\$ 183,763</u>	<u>36.8%</u>	<u>\$ 1,015,860</u>

**Municipal Energy Agency of Nebraska  
Proposed Budget & Rates  
Purchased Power Expenses  
Fiscal Year 2017-2018**

	Expenses				MWh	\$/MWh	Projected
	Proposed	Current	Proposed vs. Current		Proposed vs. Current		Fiscal Year
	Budget	Budget	\$ +/-	% +/-	% +/-	% +/-	2016-2017
Contracted Purchases							
Hastings WEC1	\$ 1,524,705	\$ 1,615,654	\$ (90,949)	-6%	-34%	44%	\$ 1,404,126
PPGA WEC2	24,475,079	27,099,001	(2,623,922)	-10%	-26%	23%	24,995,730
PPGA WEC2 Hastings Assignment	671,809	1,772,129	(1,100,320)	-62%	-72%	34%	1,627,871
WSEC4 Waverly Assignment	665,773	741,558	(75,785)	-10%	-55%	99%	726,668
Louisa Waverly Assignment	2,014,411	2,188,313	(173,902)	-8%	-12%	4%	2,119,930
BHPL NS2 & Wygen III	10,995,130	10,387,278	607,852	6%	3%	2%	10,717,874
NPPD GGS	4,225,899	5,520,210	(1,294,311)	-23%	-17%	-8%	5,264,550
NPPD CNS	11,507,632	12,341,093	(833,461)	-7%	21%	-23%	12,371,711
HCPD Wessington Springs Wind	2,001,930	1,922,858	79,072	4%	0%	4%	1,990,375
NPPD Ainsworth Wind	1,247,820	1,194,816	53,004	4%	1%	3%	1,135,081
NPPD Crofton Bluffs Wind	785,610	773,651	11,959	2%	5%	-3%	766,150
NPPD Elkhorn Ridge Wind	1,432,079	1,390,374	41,705	3%	0%	2%	1,396,206
NPPD Laredo Ridge Wind	1,749,874	1,739,695	10,179	1%	-2%	3%	1,731,771
Landfill Gas Project	2,396,734	2,396,820	(86)	0%	0%	0%	2,381,256
DMEA Shavano Falls	1,901,683	1,868,500	33,183	2%	1%	1%	1,826,955
WAPA LAP - MEAN	580,601	658,064	(77,463)	-12%	0%	-12%	658,043
Kansas Tribe Contracts	1,131,611	1,511,757	(380,146)	-25%	0%	-25%	1,202,518
WAPA RMRG	5,832	20,580	(14,748)	-72%	-54%	-38%	14,527
WAPA - Other	36,131	16,188	19,943	123%	100%	100%	54,602
Other	55,113	-	55,113	100%	100%	100%	(274,572)
Fairbury Generation	8,820	-	8,820	100%	100%	100%	14,409
Participant Committed Facilities	2,312,577	2,360,679	(48,102)	-2%	-49%	92%	2,357,545
MISO Excess Capacity	383,036	291,600	91,436	31%	100%	100%	845,435
Total Contracted Purchases	72,109,889	77,810,818	(5,700,929)	-7%	-12%	5%	75,328,764
Market Activity							
Purchases for Load							
MISO	7,535,301	7,880,995	(345,694)	-4%	-2%	-2%	7,921,612
SPP	14,858,429	17,887,248	(3,028,819)	-17%	1%	-18%	16,588,240
Total Purchases for Load	22,393,730	25,768,243	(3,374,513)	-13%	0%	-13%	24,509,852
Market Purchases							
MISO	1,647,512	1,376,907	270,605	20%	63%	-27%	1,360,044
SPP	5,265,504	7,017,209	(1,751,705)	-25%	-9%	-18%	6,812,662
West	1,946,847	2,629,334	(682,487)	-26%	-21%	-6%	3,273,877
Total Market Purchases	8,859,863	11,023,450	(2,163,587)	-20%	0%	-19%	11,446,583
Generation Sales Revenues Received							
MISO	(5,178,915)	(12,064,914)	6,885,999	-57%	-50%	-15%	(10,811,207)
SPP	(19,694,336)	(24,801,077)	5,106,741	-21%	-14%	-7%	(22,635,347)
Total Generation Sales Revenues Received	(24,873,251)	(36,865,991)	11,992,740	-33%	-25%	-10%	(33,446,554)
Total Purchased Power Expenses	\$ 78,490,231	\$ 77,736,520	\$ 753,711	1%	19%	-15%	\$ 77,838,645

**Municipal Energy Agency of Nebraska  
Proposed Budget & Rates  
Production Expenses  
Fiscal Year 2017-2018**

	Expenses				MWh	\$/MWh	Projected Fiscal Year 2016-2017
	Proposed Budget	Current Budget	Proposed vs. Current \$ +/- % +/-		Proposed vs. Current % +/-		
Owned Generation							
BHPL Wygen Unit I	\$ 5,535,076	\$ 5,539,075	\$ (3,999) 0%		-21%	27%	\$ 5,543,201
LRS Unit I	1,674,060	1,710,572	(36,512) -2%		-9%	7%	1,543,693
LRS Unit 2 & Unit 3	3,593,602	3,373,844	219,758 7%		6%	1%	3,206,798
WSEC4	6,330,632	7,582,470	(1,251,838) -17%		-55%	84%	7,157,074
Kimball Wind	421,584	880,733	(459,149) -52%		-82%	168%	860,890
Total Production Expenses	\$ 17,554,954	\$ 19,086,694	\$ (1,531,740) -8%		-35%	41%	\$ 18,311,655



**Municipal Energy Agency of Nebraska  
Proposed Budget & Rates  
Transmission Expenses  
Fiscal Year 2017-2018**

	Proposed Budget	Current Budget	Proposed vs. Current		Projected Fiscal Year 2016-2017
			\$ +/-	% +/-	
Network (NITS)					
NPPD	\$ (111,067)	\$ (99,931)	\$ (11,136)	11%	\$ (99,151)
WAPA - LAPT	(554,859)	(646,284)	91,425	-14%	(604,712)
SPP	808,288	919,776	(111,488)	-12%	1,055,127
Network (NITS)	<u>142,362</u>	<u>173,561</u>	<u>(31,199)</u>	<u>-18%</u>	<u>351,263</u>
Point-to-Point Long-Term					
WAPA - LAPT	1,203,000	1,425,600	(222,600)	-16%	1,425,000
WAPA - Shavano Falls	90,120	80,325	9,795	12%	76,500
BHPL	1,706,280	1,546,512	159,768	10%	1,708,820
PSCO	-	-	-	100%	(1,136)
NPPD	218,367	-	218,367	100%	96,900
SPP - MEAN	82,116	(143,450)	225,566	-157%	(33,746)
MISO	2,661,499	2,434,160	227,339	9%	2,525,127
Point-to-Point Long-Term	<u>5,961,382</u>	<u>5,343,147</u>	<u>618,235</u>	<u>12%</u>	<u>5,797,464</u>
Point-to-Point Short-Term					
WAPA - LAPT/SLCA	16,224	-	16,224	100%	10,914
PSCO	-	-	-	100%	15,925
Tri-State	7,521	13,455	(5,934)	-44%	8,231
Tri-State - Shavano Falls	57,673	29,292	28,381	97%	37,905
Other <sup>(2)</sup>	90,900	240,000	(149,100)	-62%	170,417
BHPL	7,272	-	7,272	100%	3,789
SPP	13,711	-	13,711	100%	116,921
MISO	3,167	-	3,167	100%	1,351
Point-to-Point Short-Term	<u>196,468</u>	<u>282,747</u>	<u>(86,279)</u>	<u>-31%</u>	<u>365,452</u>
Other					
WSEC4 - Other	434	2,736	(2,302)	-84%	(8,155)
WSEC4 - Transmission Taxes	130,908	79,468	51,440	65%	132,071
Hastings WEC1	-	90	(90)	-100%	515
PPGA WEC2	4,368	4,041	327	8%	9,273
PPGA WEC2 Hastings Assign	122	268	(146)	-54%	622
Other	17,592	15,272	2,320	15%	19,554
WAPA Spinning Reserves	455,149	571,816	(116,667)	-20%	515,073
WAPA - Kimball	28,194	30,744	(2,550)	-8%	30,744
WAPA - RMRG Reserves	6,972	39,600	(32,628)	-82%	22,747
Other	<u>643,739</u>	<u>744,035</u>	<u>(100,296)</u>	<u>-13%</u>	<u>722,444</u>
Financial Instruments <sup>(1)</sup>					
SPP - TCRs	161,148	73,717	87,431	119%	(156,615)
SPP - ARRs	(377,652)	(300,000)	(77,652)	26%	(393,533)
MISO - FTRs	521,208	(87,346)	608,554	-697%	76,736
MISO - ARRs	(1,182,156)	(300,000)	(882,156)	294%	(761,820)
Financial Instruments	<u>(877,452)</u>	<u>(613,629)</u>	<u>(263,823)</u>	<u>43%</u>	<u>(1,235,232)</u>
Total Transmission	6,066,499	5,929,861	136,638	2%	6,001,392
Less Transmission Credits	(538,400)	(794,950)	256,550	-32%	(902,994)
Total Transmission Expenses	<u>\$ 5,528,099</u>	<u>\$ 5,134,911</u>	<u>\$ 393,188</u>	<u>8%</u>	<u>\$ 5,098,397</u>

<sup>(1)</sup>ARR = Auction Revenue Rights  
TCR = Transmission Congestion Rights  
FTR = Financial Transmission Rights

<sup>(2)</sup>Other primarily includes OATI (West Connect), PSC of NM and Basin

**Municipal Energy Agency of Nebraska  
Proposed Budget & Rates  
Administrative & General  
Fiscal Year 2017-2018**

	Proposed	Current	Proposed vs. Current		Projected		
			\$ +/-	% +/-	Fiscal Year	Proposed vs. Projected	
	Budget	Budget			2016-2017	\$ +/-	% +/-
<b>Payroll &amp; Benefits</b>							
Payroll & Benefits	\$ 6,273,013	\$ 5,887,000	\$ 386,013	6.6%	\$ 5,412,834	\$ 860,179	15.9%
<b>Internal Office</b>							
Company Vehicles	(16,168)	(16,825)	657	-3.9%	(12,808)	(3,360)	26.2%
Conferences & Training	105,554	102,598	2,956	2.9%	73,601	31,953	43.4%
Dues & Subscriptions	320,108	353,265	(33,157)	-9.4%	317,634	2,474	0.8%
Equipment Lease & Maintenance	152,872	204,168	(51,296)	-25.1%	188,188	(35,316)	-18.8%
Glynoaks Operations	129,684	115,886	13,798	11.9%	123,337	6,347	5.1%
Insurance	157,199	135,605	21,594	15.9%	131,150	26,049	19.9%
Miscellaneous	16,344	16,737	(393)	-2.3%	11,529	4,815	41.8%
Office Supplies	18,217	21,658	(3,441)	-15.9%	12,277	5,940	48.4%
Postage	7,958	6,228	1,730	27.8%	6,972	986	14.1%
Reimbursement/Reclass - PPGA	-	-	-	0.0%	(19,288)	19,288	-100.0%
Telecommunications	159,444	135,449	23,995	17.7%	160,720	(1,276)	-0.8%
Travel, Lodging & Meals	292,979	292,844	135	0.0%	269,939	23,040	8.5%
Total Internal Office	1,344,191	1,367,613	(23,422)	-1.7%	1,263,252	80,939	6.4%
<b>Member</b>							
Advertising - Corporate Image	18,950	14,185	4,765	33.6%	24,295	(5,345)	-22.0%
Annual Meeting	28,229	24,108	4,121	17.1%	24,105	4,124	17.1%
Board & Committee Meetings	58,750	60,650	(1,900)	-3.1%	50,130	8,620	17.2%
Member Communications	11,930	12,350	(420)	-3.4%	9,224	2,706	29.3%
Member Dues	127,089	114,250	12,839	11.2%	117,416	9,673	8.2%
Member Education	-	1,500	(1,500)	-100.0%	-	-	100.0%
Member Scholarships	20,000	20,000	-	0.0%	15,842	4,159	26.3%
Rebates Paid	75,000	75,000	-	0.0%	58,689	16,311	100.0%
Total Member	339,948	322,043	17,905	5.6%	299,701	40,247	13.4%
<b>Consultants &amp; Outside Services</b>							
Audit & Consulting	37,800	38,000	(200)	-0.5%	38,000	(200)	-0.5%
Finance	157,350	151,850	5,500	3.6%	152,850	4,500	2.9%
Legal	274,000	96,000	178,000	185.4%	528,787	(254,787)	-48.2%
Lobbying	42,680	22,680	20,000	88.2%	42,680	-	0.0%
NMPP Contract Services	285,229	278,015	7,214	2.6%	260,552	24,677	9.5%
Other	533,288	464,190	69,098	14.9%	490,652	42,636	8.7%
Regulatory & Compliance	146,550	161,500	(14,950)	-9.3%	116,765	29,785	25.5%
Software Licenses, Maint., Support	525,240	541,208	(15,968)	-3.0%	532,683	(7,443)	-1.4%
Total Consultants & Outside Services	2,002,137	1,753,443	248,694	14.2%	2,162,968	(160,831)	-7.4%
<b>Total Administrative &amp; General</b>	9,959,289	9,330,099	629,190	6.7%	9,138,755	820,534	9.0%
<b>Annual Meeting Sponsorships &amp; Registrations</b>	(23,242)	(13,324)	(9,918)	74.4%	(13,324)	(9,918)	74.4%
<b>Asset Rent &amp; Asset Rent Recovery</b>	(111,702)	(120,464)	8,762	-7.3%	(115,674)	3,972	-3.4%
<b>Adjusted Administrative &amp; General, Net</b>	\$ 9,824,345	\$ 9,196,311	\$ 628,034	6.8%	\$ 9,009,757	814,588	9.0%

**NMPP Energy**  
**Proposed Administrative & General Budget**  
**Combined All Company**  
**Fiscal Year 2017-2018**

	Proposed Budget	Current Budget	Proposed vs. Current		Projected Fiscal Year 2016-2017	Proposed vs. Projected	
			\$ +/-	% +/-		\$ +/-	% +/-
<b>Payroll &amp; Benefits</b>	\$ 8,197,138	\$ 7,783,969	\$ 413,169	5%	\$ 7,296,647	\$ 900,491	12%
<b>Internal Office</b>							
Company Vehicles	(15,960)	(16,825)	865	5%	(12,808)	(3,152)	-25%
Conferences & Training	126,240	120,010	6,230	5%	89,347	36,893	41%
Dues & Subscriptions	327,610	364,920	(37,310)	-10%	323,790	3,820	1%
Equipment Lease & Maintenance	185,085	250,450	(65,365)	-26%	226,108	(41,023)	-18%
ERDF Grants	-	5,000	(5,000)	-100%	-	-	100%
Glynoaks Operations	129,684	115,886	13,798	12%	123,337	6,347	5%
Insurance	186,200	164,200	22,000	13%	158,914	27,286	17%
Miscellaneous	21,800	23,720	(1,920)	-8%	15,231	6,569	43%
Office Supplies	24,200	29,200	(5,000)	-17%	19,868	4,332	22%
Postage	23,000	18,000	5,000	28%	20,774	2,226	11%
Rent - Building & Equipment	-	-	-	100%	-	-	100%
Telecommunications	185,730	160,590	25,140	16%	183,172	2,558	1%
Tools & Safety Equipment	0	1,500	(1,500)	-100%	-	-	100%
Travel, Lodging & Meals	374,545	377,840	(3,295)	-1%	339,835	34,710	10%
Total Internal Office	1,568,134	1,614,491	(46,357)	-3%	1,487,568	80,566	5%
<b>Member</b>							
Advertising - Corporate Image	28,865	21,775	7,090	33%	32,192	(3,327)	-10%
Annual Meeting	37,500	32,500	5,000	15%	32,500	5,000	15%
Board & Committee Meetings	80,475	87,950	(7,475)	-8%	71,412	9,063	13%
Member Communication	15,850	16,650	(800)	-5%	12,436	3,414	27%
Member Dues	136,089	122,903	13,186	11%	126,226	9,863	8%
Member Education	5,100	12,100	(7,000)	-58%	-	5,100	100%
Member Scholarships	28,000	28,000	-	0%	22,282	5,718	26%
Purchases for Resale	-	-	-	100%	7,839	(7,839)	-100%
Rebates Paid	75,000	75,000.00	-	0%	58,689	16,311	28%
Total Member	406,879	396,878	10,001	3%	363,576	43,303	12%
<b>Consultants &amp; Outside Services</b>							
Audit & Consulting	95,550	96,150	(600)	-1%	96,150	(600)	-1%
Call Center - ACE	30,000	30,000	-	0%	26,326	3,674	14%
Financing	157,350	151,850	5,500	4%	152,850	4,500	3%
Legal	281,025	102,025	179,000	175%	563,305	(282,280)	-50%
Lobbying	45,200	25,200	20,000	79%	45,200	-	0%
NMPP Contract Services	291,750	295,989	(4,239)	-1%	278,526	13,224	5%
Other	601,403	520,390	81,013	16%	544,506	56,897	10%
Regulatory & Compliance	151,200	166,000	(14,800)	-9%	120,092	31,108	26%
Royalties - NMPP	380,900	323,719	57,181	18%	344,290	36,610	11%
Software Licenses, Maint., Support	577,416	593,362	(15,946)	-3%	587,001	(9,585)	-2%
Total Consultants & Outside Services	2,611,794	2,304,685	307,109	13%	2,758,246	(146,452)	-5%
<b>Total Administrative &amp; General</b>	12,783,945	12,100,023	683,922	6%	11,906,037	877,908	7%
Annual Meeting Sponsorships & Registrations	(30,875)	(17,965)	(12,910)	-72%	(17,965)	(12,910)	-72%
<b>Total A&amp;G included in Operations Budgets</b>	\$ 12,753,070	\$ 12,082,058	\$ 671,012	6%	\$ 11,888,072	\$ 864,998	7%

**Municipal Energy Agency of Nebraska  
Proposed Budget & Rates  
Staffing  
Fiscal Year 2017-2018**

		MEAN %		
		2017-2018	2016-2017	2015-2016
Budgeted Position Title by Department	Notes	Proposed	Current	Previous
Communications				
Full-Time Positions				
Graphics/Communications Specialist		53.4%	41.0%	35.8%
Communications Specialist		46.7%	46.4%	37.9%
Temporary Part-Time Positions				
Videography Assistance	New position in 17-18	74.2%	N/A	N/A
Electric				
Full-Time Positions				
Manager of Electric Operations		100.0%	100.0%	100.0%
Member Relations Representative		97.4%	100.0%	100.0%
Senior Energy Dispatcher		100.0%	100.0%	100.0%
Manager of Resources & Transmission		100.0%	100.0%	100.0%
Energy Dispatcher		100.0%	100.0%	100.0%
Supervisor of Resource Planning & Analysis		100.0%	100.0%	100.0%
Administrative Assistant		100.0%	89.7%	95.0%
Settlements/Operations Analyst		90.0%	85.0%	89.0%
Senior Transmission & Regulatory Data Analyst		100.0%	100.0%	100.0%
Deputy Director of Wholesale Electric Operations		100.0%	100.0%	100.0%
Business Performance & Systems Analyst		100.0%	100.0%	100.0%
Procedures & Business Process Administrator		100.0%	100.0%	100.0%
RTO/Settlements Manager		100.0%	100.0%	100.0%
Energy Dispatcher		100.0%	100.0%	100.0%
Load Forecasting & Planning Specialist		100.0%	100.0%	100.0%
Forecast Optimizer		100.0%	100.0%	100.0%
Energy Delivery Analyst		100.0%	100.0%	100.0%
Energy Dispatcher		100.0%	100.0%	100.0%
Assistant Energy Systems Analyst		100.0%	100.0%	100.0%
Administrative Assistant		100.0%	100.0%	100.0%
Dispatch Supervisor		100.0%	100.0%	100.0%
Regulatory Data Analyst		100.0%	100.0%	100.0%
Lead Energy Systems Analyst		100.0%	100.0%	100.0%
Settlements/Market Analyst		100.0%	100.0%	100.0%
Director of Wholesale Electric Operations		100.0%	100.0%	100.0%
Energy Dispatcher		100.0%	100.0%	100.0%
Distributed Generation/Rate Analyst	Hired in October 2016	100.0%	100.0%	100.0%
West Systems Analyst	Position not yet filled	100.0%	100.0%	100.0%
Sched & Outage/Generation Contracts	Position not yet filled	100.0%	100.0%	100.0%
Executive				
Full-Time Positions				
General Counsel		81.4%	81.4%	77.5%
Director of Risk Management & Compliance	Eliminated; restructure of risk	N/A	95.0%	95.0%
Paralegal		63.3%	65.3%	35.6%
Associate General Counsel		68.0%	65.3%	58.0%
Asst Compliance Analyst	Change in dutes; restructure of risk	95.7%	100.0%	100.0%
Executive Director		72.0%	72.0%	68.5%
Risk, Compliance, & Regulatory Counsel	Change in dutes; restructure of risk	95.7%	95.0%	95.0%
Risk Analyst	New position; restructure of risk	100.0%	N/A	N/A
Temporary Part-Time Positions				
Law Clerk	Not budgeted 17-18; rotating position	N/A	65.3%	58.0%

**Municipal Energy Agency of Nebraska  
Proposed Budget & Rates  
Staffing  
Fiscal Year 2017-2018**

Budgeted Position Title by Department	Notes	MEAN %		
		2017-2018 Proposed	2016-2017 Current	2015-2016 Previous
<b>Finance &amp; Accounting</b>				
<u>Full-Time Positions</u>				
Accounts Receivable Specialist		76.5%	73.5%	73.5%
Accountant		43.4%	42.1%	38.8%
Director of Finance & Accounting		65.5%	64.0%	64.0%
Budget and Cost Analyst		100.0%	100.0%	100.0%
Payroll/Cash Management Specialist		62.6%	60.2%	53.9%
Billing Analyst		100.0%	100.0%	100.0%
Accounts Payable Specialist		60.2%	59.0%	53.1%
Lead MEAN Accountant		100.0%	100.0%	100.0%
<b>Human Resources &amp; Support Services</b>				
<u>Full-Time Positions</u>				
Director of Enterprise Business Support		74.2%	63.0%	63.8%
Office Support Specialist		70.5%	71.4%	52.5%
Administrative Assistant		28.5%	24.7%	52.1%
Human Resources Representative		63.1%	64.9%	N/A
Receptionist		59.7%	41.9%	38.8%
<b>Information Technology</b>				
<u>Full-Time Positions</u>				
Systems Administrator		74.2%	67.0%	67.0%
PC/Network Support Specialist		74.2%	66.5%	66.5%
Computer Support Technician		70.5%	66.5%	N/A
<b>Retail Natural Gas</b>				
<u>Full-Time Positions</u>				
Director of Retail Gas Services	Change in duties; marketing/branding	10.0%	0.0%	0.0%
<b>Retail Utility Services</b>				
<u>Full-Time Positions</u>				
Member Services Coordinator		44.8%	50.0%	N/A
Business Software Coordinator		0.0%	0.0%	4.5%
Rate Analyst		33.0%	33.0%	30.0%
Utility Services Representative		30.0%	30.0%	30.0%
Director of Retail Utility Services & Member Relations		60.0%	60.0%	60.0%
<u>Regular Part-Time Positions</u>				
Manager of Engineering Services		50.0%	30.0%	N/A
Rate Analyst		0.0%	0.0%	0.0%
Cost of Service Analyst		0.0%	0.0%	0.0%
<b>Full Time Equivalents</b>		<b>49.2</b>	<b>48.2</b>	<b>47.6</b>
<b>Shared Cost Allocation - % Based on Time Analysis</b>		<b>75.3%</b>	<b>74.2%</b>	<b>73.2%</b>

**Municipal Energy Agency of Nebraska  
Proposed Budget & Rates  
Annual Capital Budget  
Fiscal Year 2017-2018**

	Projected 16-17	Proposed 17-18	Preliminary				
			18-19	19-20	20-21	21-22	22-23
<b>Capital Assets</b>	\$ 159,924	\$ 219,500	\$ 114,500	\$ 181,000	\$ 98,500	\$ 10,000	\$ 69,500
See NMPP Energy - Proposed Capital Purchases & Replacements for detailed listing							
<b>Productive Capacity Assets</b>							
LRS	2,474,474	3,249,601	2,552,136	1,108,421	365,688	524,766	1,002,000
BHPL Wygen I	722,751	675,685	1,728,918	790,604	977,481	184,731	872,084
WSEC4	376,589	879,611	375,945	442,358	495,686	286,833	661,665
Kimball	50,000	-	-	-	-	-	-
Total Productive Capacity Assets	3,623,814	4,804,897	4,656,999	2,341,383	1,838,855	996,330	2,535,749
<b>Total Capital Assets &amp; Productive Capacity Assets</b>	3,783,738	5,024,397	4,771,499	2,522,383	1,937,355	1,006,330	2,605,249
<b>Contracted Generation Capital*</b>							
Hastings WEC 1	60,668	134,805	201,567	170,670	20,898	3,960	3,960
PPGA WEC 2	-	236,727	723,816	143,178	552,273	863,634	556,815
PPGA WEC 2 Hastings Assignment	-	5,919	1,973	-	-	-	-
NPPD CNS	475,594	600,339	613,740	613,740	613,740	613,740	613,740
NPPD GGS	608,232	288,996	295,440	295,440	295,440	295,440	295,440
Total Contracted Generation Capital	1,144,494	1,266,786	1,836,536	1,223,028	1,482,351	1,776,774	1,469,955
<b>Total Capital Budget</b>	\$ 4,928,232	\$ 6,291,183	\$ 6,608,035	\$ 3,745,411	\$ 3,419,706	\$ 2,783,104	\$ 4,075,204

\* Contracted generation capital was not included in the FCRC for fiscal year 2016-2017

**NMPP Energy**  
**Proposed Capital Purchases & Replacements**  
**5 Year Plan**  
**FY 17-18 through FY 22-23**

	Proposed FY 17-18		Preliminary										Total	
			FY 18-19		FY 19-20		FY 20-21		FY 21-22		FY 22-23			
	New	Replace	New	Replace	New	Replace	New	Replace	New	Replace	New	Replace	New	Replace
Office Equipment														
Office Furniture	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000
Document Management Software	-	-	-	-	100,000	-	-	-	-	-	-	-	100,000	-
MEAN Operations														
Meter Installations	7,000	-	-	-	-	-	-	-	-	-	-	-	7,000	-
Metering System	50,000	-	-	-	-	-	-	-	-	-	-	-	50,000	-
Vehicles														
Replacements (3 on rotating basis)	-	-	-	58,500	-	-	-	38,500	-	-	-	38,500	-	135,500
Information Technology														
Network Appliances Other	5,000	2,500	-	-	-	15,000	-	-	-	-	-	-	5,000	17,500
Storage Area Network (HQ & DR)	-	50,000	-	50,000	30,000	-	-	-	-	-	-	-	30,000	100,000
Wireless Upgrades	-	-	-	-	-	6,500	-	-	-	-	-	-	-	6,500
UPS Battery Replacements	-	-	-	-	-	4,500	-	-	-	-	-	-	-	4,500
CORPUS Upgrades	10,000	-	6,000	-	-	-	10,000	-	10,000	-	-	6,000	36,000	6,000
Servers (HQ & DR) - MEAN	-	75,000	-	-	-	25,000	-	50,000	-	-	-	25,000	-	175,000
Total	<u>\$ 72,000</u>	<u>\$ 147,500</u>	<u>\$ 6,000</u>	<u>\$ 108,500</u>	<u>\$ 130,000</u>	<u>\$ 51,000</u>	<u>\$ 10,000</u>	<u>\$ 88,500</u>	<u>\$ 10,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,500</u>	<u>\$ 228,000</u>	<u>\$ 465,000</u>
		<u>\$ 219,500</u>		<u>\$ 114,500</u>		<u>\$ 181,000</u>		<u>\$ 98,500</u>		<u>\$ 10,000</u>		<u>\$ 69,500</u>		<u>\$ 693,000</u>

Note that capital assets purchased that are not utilized 100% by MEAN are factored into the annual asset rent calculation. NMPP Energy companies pay rent to MEAN annually for their allocated share of the building, including related operating costs, as well as furniture, equipment and vehicles.

**Municipal Energy Agency of Nebraska  
Proposed Budget & Rates  
Debt Service Schedule  
Fiscal Year 2017-2018**

	Projected 16-17	Proposed 17-18	Preliminary				
			18-19	19-20	20-21	21-22	22-23
<b>MEAN Debt Service</b>							
2009A Principal	\$ -	\$ 1,240,000	\$ 1,310,000	\$ -	\$ -	\$ -	\$ -
2009A Interest	1,976,903	127,500	65,500	-	-	-	-
Total 2009A	1,976,903	1,367,500	1,375,500	-	-	-	-
2012A Principal	3,480,000	2,410,000	2,525,000	2,655,000	2,790,000	2,930,000	3,080,000
2012A Interest	2,773,250	2,599,250	2,478,750	2,352,500	2,219,750	2,080,250	1,933,750
Total 2012A	6,253,250	5,009,250	5,003,750	5,007,500	5,009,750	5,010,250	5,013,750
2013A Principal	1,260,000	1,310,000	1,375,000	-	-	300,000	1,125,000
2013A Interest	1,353,838	1,303,438	1,237,938	1,169,188	1,169,188	1,169,188	1,157,188
Total 2013A	2,613,838	2,613,438	2,612,938	1,169,188	1,169,188	1,469,188	2,282,188
2013B Principal	975,000	985,000	1,005,000	1,025,000	1,055,000	790,000	-
2013B Interest	141,464	127,132	110,682	86,673	58,598	26,220	-
Total 2013B	1,116,464	1,112,132	1,115,682	1,111,673	1,113,598	816,220	-
2016A Principal	-	-	-	1,410,000	1,485,000	1,555,000	1,630,000
2016A Interest	1,235,173	2,850,400	2,850,400	2,850,400	2,779,900	2,705,650	2,627,900
Total 2016A	1,235,173	2,850,400	2,850,400	4,260,400	4,264,900	4,260,650	4,257,900
<b>Total MEAN Principal</b>	5,715,000	5,945,000	6,215,000	5,090,000	5,330,000	5,575,000	5,835,000
<b>Total MEAN Interest</b>	7,480,628	7,007,720	6,743,270	6,458,761	6,227,436	5,981,308	5,718,838
<b>Total MEAN Debt Service</b>	13,195,628	12,952,720	12,958,270	11,548,761	11,557,436	11,556,308	11,553,838
<b>Contracted Generation Debt Service</b>							
PPGA WEC 2	\$ 14,680,637	\$ 14,587,179	\$ 14,559,918	\$ 14,706,438	\$ 15,324,903	\$ 15,223,119	\$ 15,114,747
PPGA WEC 2 Hastings Assignment	963,789	410,277	30,393	-	-	-	-
Total PPGA WEC 2	15,644,426	14,997,456	14,590,311	14,706,438	15,324,903	15,223,119	15,114,747
WSEC4 Waverly Assignment	305,935	306,525	307,494	309,096	310,824	311,688	312,549
Hastings WEC 1	300,721	301,062	299,250	213,516	-	-	-
Louisa Waverly Assignment	848,723	746,913	749,277	753,195	757,398	759,489	761,589
NPPD CNS	1,576,586	1,706,841	1,744,956	1,744,956	1,744,956	1,744,956	1,744,956
NPPD GGS	1,069,998	562,230	574,776	574,776	574,776	574,776	574,776
Total Other Contracted	4,101,962	3,623,571	3,675,753	3,595,539	3,387,954	3,390,909	3,393,870
<b>Total Contracted Generation Debt Service</b>	19,746,388	18,621,027	18,266,064	18,301,977	18,712,857	18,614,028	18,508,617
<b>Total Debt Service</b>	<b>\$ 32,942,016</b>	<b>\$ 31,573,747</b>	<b>\$ 31,224,334</b>	<b>\$ 29,850,738</b>	<b>\$ 30,270,293</b>	<b>\$ 30,170,336</b>	<b>\$ 30,062,455</b>



**Municipal Energy Agency of Nebraska  
Proposed Budget & Rates  
Return on System Equity  
Fiscal Year 2017-2018**

	Projected 2016-2017	Proposed 2017-2018	Preliminary				
			2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
<b>Return on System Equity</b>							
Net Book Value (Owned)	\$ 129,612,889	\$ 127,368,829	\$ 125,660,316	\$ 121,269,318	\$ 116,085,596	\$ 109,876,355	\$ 105,198,710
Net Book Value (Entitlement - PPGA WEC 2)	169,942,375	162,767,437	156,070,043	148,755,192	141,791,861	135,102,770	128,106,860
Costs Recoverable from Future Billings	41,185,562	40,140,814	38,826,066	40,052,673	40,811,840	40,213,447	39,360,054
Net Book Value (PPA)	333,014,080	294,936,225	256,858,369	218,780,514	180,702,659	142,624,804	104,546,949
Total Net Book Value	673,754,905	625,213,304	577,414,794	528,857,697	479,391,956	427,817,376	377,212,573
Less:							
Outstanding Principal on Debt (MEAN Owned)	157,835,000	151,890,000	145,675,000	140,585,000	135,255,000	129,680,000	123,845,000
Outstanding Principal on Debt (Entitlement - PPGA WEC 2)	201,528,908	187,827,658	173,467,658	158,242,658	141,796,408	124,538,908	106,437,658
Total System Equity	314,390,997	285,495,646	258,272,136	230,030,039	202,340,548	173,598,468	146,929,915
Rate of Return on System Equity	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
<b>Return on System Equity</b>	\$ 10,060,512	\$ 9,135,861	\$ 8,264,708	\$ 7,360,961	\$ 6,474,898	\$ 5,555,151	\$ 4,701,757

Net Book Value (Owned) represents the cost of productive capacity owned by MEAN, net of related depreciation. Productive capacity assets consist of ownership interests in LRS, BHPL Wygen Unit I, WSEC4 and Kimball Wind. The net book value of capital assets including MEAN's building, capitalized furniture and equipment and vehicles is also included.

Net Book Value (Entitlement - PPGA WEC 2) represents MEAN's entitlement share of PPGA WEC 2.

Costs recoverable from Future Billings represents the difference between principal paid on debt used to purchase capital assets and productive capacity assets and the depreciation on those assets.

Net Book Value (PPA) represents the estimated net book value of MEAN's power purchase agreements (excluding PPGA WEC 2 accounted separately) based on remaining useful life and estimated replacement cost.

Outstanding Principal on Debt (MEAN Owned) represents MEAN's outstanding debt used to finance productive capacity assets and certain capital assets.

Outstanding Principal on Debt (Entitlement - PPGA WEC 2) represents MEAN's entitlement share of PPGA's outstanding debt used to finance WEC 2. Amount is shown net of bond proceeds used to fund the debt service reserve fund.

Rate of Return on System Equity equals the current inflation rate x 2. Multiplier is necessary due to the declining net book value.

**Municipal Energy Agency of Nebraska**  
**Proposed Budget & Rates**  
**Analysis of Changes in Schedule M and Schedule K Revenues Due to Changes in Rates (1)**  
**3 Year Historical FCRC Allocation**  
**Fiscal Year 2017-2018**

	Total Revenue (2)				Fixed Cost Recovery Charge (3)				Energy		Support Energy	
	Proposed		\$ +/-	% +/-	Current		\$ +/-	% +/-	\$ +/-	% +/-	\$ +/-	% +/-
	Budget	Current Budget			Proposed Budget	Budget						
<b>SCHEDULE M</b>												
Alliance	\$ 7,930,509	\$ 7,802,644	\$ 127,865	1.6%	\$ 3,026,744	\$ 3,153,229	\$ (126,485)	-4.0%	\$ 298,873	7.4%	\$ (44,523)	-17.6%
Ansley	347,709	339,612	8,097	2.4%	136,308	140,441	(4,133)	-2.9%	12,230	7.4%	-	-
Arnold	168,491	166,374	2,117	1.3%	73,175	75,892	(2,717)	-3.6%	4,834	7.4%	-	-
Aspen, CO	3,155,455	3,034,193	121,262	4.0%	1,186,029	1,067,604	118,425	11.1%	-	0.0%	-	-
Basin, WY	814,175	781,470	32,705	4.2%	337,185	336,901	284	0.1%	32,421	7.4%	-	-
Bayard	218,894	248,039	(29,145)	-11.8%	21,497	22,519	(1,022)	-4.5%	1,502	7.4%	(29,625)	-19.7%
Beaver City	408,530	405,606	2,924	0.7%	186,011	198,419	(12,408)	-6.3%	15,332	7.4%	-	-
Benkelman	844,758	820,683	24,075	2.9%	345,632	345,076	556	0.2%	31,429	7.4%	(7,911)	-19.5%
Blue Hill	264,163	249,235	14,928	6.0%	109,825	105,532	4,293	4.1%	10,635	7.4%	-	-
Breda, IA	113,232	104,053	9,179	8.8%	52,483	47,490	4,993	10.5%	4,186	7.4%	-	-
Bridgeport	860,889	874,466	(13,577)	-1.6%	315,180	329,044	(13,864)	-4.2%	27,341	7.4%	(27,054)	-20.7%
Broken Bow	6,117,901	5,844,318	273,583	4.7%	2,320,152	2,304,236	15,916	0.7%	257,667	7.4%	-	-
Burwell	891,147	880,187	10,960	1.2%	350,846	371,313	(20,467)	-5.5%	31,427	7.4%	-	-
Callaway	350,254	332,945	17,309	5.2%	142,017	135,953	6,064	4.5%	11,245	7.4%	-	-
Carlisle, IA	1,514,033	1,476,497	37,536	2.5%	641,142	651,711	(10,569)	-1.6%	48,105	7.4%	-	-
Chappell	302,754	343,632	(40,878)	-11.9%	65,932	74,783	(8,851)	-11.8%	5,090	7.4%	(37,116)	-19.6%
Crete	7,602,222	7,321,385	280,837	3.8%	3,068,772	3,091,547	(22,775)	-0.7%	303,612	7.4%	-	-
Curtis	952,439	935,478	16,961	1.8%	403,341	421,828	(18,487)	-4.4%	35,449	7.4%	-	-
Delta	3,494,865	3,310,451	184,414	5.6%	1,390,200	1,234,587	155,613	12.6%	100,805	7.4%	(72,004)	-17.8%
Denver, IA	926,073	888,399	37,674	4.2%	411,901	409,658	2,243	0.5%	35,431	7.4%	-	-
Fairbury	5,648,929	5,486,212	162,717	3.0%	2,374,286	2,437,213	(62,927)	-2.6%	225,644	7.4%	-	-
Fleming, CO	106,010	116,104	(10,094)	-8.7%	29,992	31,402	(1,410)	-4.5%	1,815	7.4%	(10,498)	-17.4%
Fonda, IA	256,927	243,057	13,870	5.7%	119,848	115,423	4,425	3.8%	9,445	7.4%	-	-
Fort Morgan, CO	10,200,972	11,009,613	(808,641)	-7.3%	2,771,134	2,771,347	(213)	0.0%	197,850	7.4%	(1,006,278)	-18.1%
Gering	2,849,657	3,090,241	(240,584)	-7.8%	689,692	745,407	(55,715)	-7.5%	54,559	7.4%	(239,429)	-19.5%
Grant	1,147,951	1,124,640	23,311	2.1%	476,554	484,991	(8,437)	-1.7%	39,790	7.4%	(8,042)	-18.5%
Gunnison, CO	3,022,654	3,249,322	(226,668)	-7.0%	852,970	829,660	23,310	2.8%	41,588	7.4%	(291,567)	-18.8%
Haxtun, CO	354,217	392,590	(38,373)	-9.8%	105,034	108,412	(3,378)	-3.1%	3,793	7.4%	(38,788)	-18.2%
Imperial PPD	1,676,768	1,698,708	(21,940)	-1.3%	632,631	659,939	(27,308)	-4.1%	52,469	7.4%	(47,101)	-19.5%
Indianola, IA	9,518,346	9,156,034	362,312	4.0%	3,925,367	3,909,649	15,718	0.4%	346,594	7.4%	-	-
Julesburg, CO	670,963	664,995	5,968	0.9%	266,417	272,480	(6,063)	-2.2%	24,241	7.4%	(12,210)	-18.8%
Kimball	1,372,788	1,408,130	(35,342)	-2.5%	457,240	488,822	(31,582)	-6.5%	41,308	7.4%	(45,070)	-18.9%
Lyman	253,412	263,018	(9,606)	-3.7%	85,328	87,426	(2,098)	-2.4%	6,879	7.4%	(14,387)	-17.4%
Lyons, CO	851,911	842,720	9,191	1.1%	346,367	364,738	(18,371)	-5.0%	32,081	7.4%	(4,518)	-20.3%
Mitchell	483,337	527,654	(44,317)	-8.4%	129,265	139,561	(10,296)	-7.4%	10,608	7.4%	(44,631)	-20.8%
Morrill	493,220	554,083	(60,863)	-11.0%	138,358	164,910	(26,552)	-16.1%	10,933	7.4%	(45,244)	-19.4%
Oak Creek, CO	433,647	435,116	(1,469)	-0.3%	158,123	151,789	6,334	4.2%	12,262	7.4%	(20,066)	-18.9%
Oxford	423,712	427,045	(3,333)	-0.8%	180,106	197,803	(17,697)	-8.9%	14,367	7.4%	-	-
Pender	984,525	951,102	33,423	3.5%	428,197	432,589	(4,392)	-1.0%	37,815	7.4%	-	-
Pierce	1,510,812	1,421,463	89,349	6.3%	643,115	613,557	29,558	4.8%	59,791	7.4%	-	-
Plainview	728,229	711,885	16,344	2.3%	314,593	326,751	(12,158)	-3.7%	28,502	7.4%	-	-
Red Cloud	709,654	685,054	24,600	3.6%	311,873	313,483	(1,610)	-0.5%	26,211	7.4%	-	-
Rockford, IA	445,195	431,229	13,966	3.2%	198,104	201,162	(3,058)	-1.5%	17,024	7.4%	-	-
Sergeant Bluff, IA	2,105,534	2,046,732	58,802	2.9%	843,869	859,155	(15,286)	-1.8%	74,088	7.4%	-	-
Shickley	254,123	247,186	6,937	2.8%	118,172	120,601	(2,429)	-2.0%	9,366	7.4%	-	-
Sidney	5,203,078	5,106,435	96,643	1.9%	2,016,563	2,028,048	(11,485)	-0.6%	190,138	7.4%	(82,013)	-18.4%
Spencer	463,779	448,336	15,443	3.4%	212,635	214,497	(1,862)	-0.9%	17,305	7.4%	-	-
Stuart	478,192	469,549	8,643	1.8%	183,447	190,874	(7,427)	-3.9%	16,070	7.4%	-	-
Torrington, WY	4,831,847	4,944,206	(112,359)	-2.3%	1,918,259	2,043,734	(125,475)	-6.1%	153,050	7.4%	(139,934)	-17.7%
Wall Lake, IA	170,141	205,414	(35,273)	-17.2%	73,088	115,050	(41,962)	-36.5%	6,689	7.4%	-	-
Waverly, IA	9,791,011	9,425,662	365,349	3.9%	4,129,522	4,144,162	(14,640)	-0.4%	379,989	7.4%	-	-
West Point	3,677,665	3,562,037	115,628	3.2%	1,487,230	1,517,336	(30,106)	-2.0%	145,734	7.4%	-	-
Wisner	356,452	345,159	11,293	3.3%	155,544	158,095	(2,551)	-1.6%	13,844	7.4%	-	-
Yuma, CO	1,255,194	1,317,863	(62,669)	-4.8%	411,949	396,222	15,727	4.0%	26,194	7.4%	(104,591)	-18.4%
<b>Total Schedule M</b>	<b>110,009,345</b>	<b>109,168,262</b>	<b>841,083</b>	<b>0.8%</b>	<b>41,769,244</b>	<b>42,154,051</b>	<b>(384,807)</b>	<b>-0.9%</b>	<b>3,595,649</b>	<b>7.4%</b>	<b>(2,372,599)</b>	<b>-18.5%</b>
<b>SCHEDULE K</b>												
Glenwood Springs, CO	9,115,773	8,608,541	507,232	5.9%	3,438,885	3,122,766	316,119	10.1%	252,591	7.4%	(61,478)	-18.5%
Paxton	422,390	410,963	11,427	2.8%	191,871	196,326	(4,455)	-2.3%	15,882	7.4%	-	-
Sargent	-	137,069	(137,069)	-100.0%	-	137,069	(137,069)	-100.0%	0	0.0%	-	-
<b>Total Schedule K</b>	<b>9,538,163</b>	<b>9,156,573</b>	<b>381,590</b>	<b>4.2%</b>	<b>3,630,756</b>	<b>3,456,161</b>	<b>174,595</b>	<b>5.1%</b>	<b>268,473</b>	<b>7.4%</b>	<b>(61,478)</b>	<b>-18.5%</b>
<b>Total Schedule M&amp;K</b>	<b>\$ 119,547,508</b>	<b>\$ 118,324,835</b>	<b>\$ 1,222,673</b>	<b>1.0%</b>	<b>\$ 45,400,000</b>	<b>\$ 45,610,212</b>	<b>\$ (210,212)</b>	<b>-0.5%</b>	<b>\$ 3,864,123</b>	<b>7.4%</b>	<b>\$ (2,434,077)</b>	<b>-18.5%</b>

(1) No change in rates for Renewables - Contracted Wind or Landfill Gas - Attributes.

(2) Includes Fixed Cost Recovery Charge (FCRC), Energy Revenue, Support Energy Revenue, Renewables - Wind and Landfill Gas.

Current Budget revenues have been restated to use Proposed Budget volumes and Current Budget rates.

(3) Calculated including approved 10% cap on FCRC for Fiscal Year 2016-2017.

**Municipal Energy Agency of Nebraska**  
**Proposed Budget & Rates**  
**Analysis of Changes in Schedule M and Schedule K Revenues Due to Changes in Rates (1)**  
**2 Year Historical FCRC Allocation**  
**Fiscal Year 2017-2018**

	Total Revenue (2)				Fixed Cost Recovery Charge (3)				Energy		Support Energy	
	Proposed		\$ +/-	% +/-	Current		\$ +/-	% +/-	\$ +/-	% +/-	\$ +/-	% +/-
	Budget	Current Budget			Proposed Budget	Budget						
<b>SCHEDULE M</b>												
Alliance	\$ 7,920,901	\$ 7,802,644	\$ 118,257	1.5%	\$ 3,017,136	\$ 3,153,229	\$ (136,093)	-4.3%	\$ 298,873	7.4%	\$ (44,523)	-17.6%
Ansley	347,097	339,612	7,485	2.2%	135,696	140,441	(4,745)	-3.4%	12,230	7.4%	-	-
Arnold	162,032	166,374	(4,342)	-2.6%	66,716	75,892	(9,176)	-12.1%	4,834	7.4%	-	-
Aspen, CO	3,185,811	3,034,193	151,618	5.0%	1,216,385	1,067,604	148,781	13.9%	-	-	-	-
Basin, WY	826,354	781,470	44,884	5.7%	349,364	336,901	12,463	3.7%	32,421	7.4%	-	-
Bayard	218,105	248,039	(29,934)	-12.1%	20,708	22,519	(1,811)	-8.0%	1,502	7.4%	(29,625)	-19.7%
Beaver City	399,103	405,606	(6,503)	-1.6%	176,584	198,419	(21,835)	-11.0%	15,332	7.4%	-	-
Benkelman	846,046	820,683	25,363	3.1%	346,920	345,076	1,844	0.5%	31,429	7.4%	(7,911)	-19.5%
Blue Hill	259,071	249,235	9,836	3.9%	104,733	105,532	(799)	-0.8%	10,635	7.4%	-	-
Breda, IA	111,739	104,053	7,686	7.4%	50,990	47,490	3,500	7.4%	4,186	7.4%	-	-
Bridgeport	865,941	874,466	(8,525)	-1.0%	320,232	329,044	(8,812)	-2.7%	27,341	7.4%	(27,054)	-20.7%
Broken Bow	6,134,557	5,844,318	290,239	5.0%	2,336,808	2,304,236	32,572	1.4%	257,667	7.4%	-	-
Burwell	880,644	880,187	457	0.1%	340,343	371,313	(30,970)	-8.3%	31,427	7.4%	-	-
Callaway	347,842	332,945	14,897	4.5%	139,605	135,953	3,652	2.7%	11,245	7.4%	-	-
Carlisle, IA	1,512,948	1,476,497	36,451	2.5%	640,057	651,711	(11,654)	-1.8%	48,105	7.4%	-	-
Chappell	295,385	343,632	(48,247)	-14.0%	58,563	74,783	(16,220)	-21.7%	5,090	7.4%	(37,116)	-19.6%
Crete	7,612,083	7,321,385	290,698	4.0%	3,078,633	3,091,547	(12,914)	-0.4%	303,612	7.4%	-	-
Curtis	946,804	935,478	11,326	1.2%	397,706	421,828	(24,122)	-5.7%	35,449	7.4%	-	-
Delta	3,496,654	3,310,451	186,203	5.6%	1,391,989	1,234,587	157,402	12.7%	100,805	7.4%	(72,004)	-17.8%
Denver, IA	932,629	888,399	44,230	5.0%	418,457	409,658	8,799	2.1%	35,431	7.4%	-	-
Fairbury	5,573,756	5,486,212	87,544	1.6%	2,299,113	2,437,213	(138,100)	-5.7%	225,644	7.4%	-	-
Fleming, CO	106,082	116,104	(10,022)	-8.6%	30,064	31,402	(1,338)	-4.3%	1,815	7.4%	(10,498)	-17.4%
Fonda, IA	260,993	243,057	17,936	7.4%	123,914	115,423	8,491	7.4%	9,445	7.4%	-	-
Fort Morgan, CO	10,253,851	11,009,613	(755,762)	-6.9%	2,824,013	2,771,347	52,666	1.9%	197,850	7.4%	(1,006,278)	-18.1%
Gering	2,810,357	3,090,241	(279,884)	-9.1%	650,392	745,407	(95,015)	-12.7%	54,559	7.4%	(239,429)	-19.5%
Grant	1,150,923	1,124,640	26,283	2.3%	479,526	484,991	(5,465)	-1.1%	39,790	7.4%	(8,042)	-18.5%
Gunnison, CO	3,044,650	3,249,322	(204,672)	-6.3%	874,966	829,660	45,306	5.5%	41,588	7.4%	(291,567)	-18.8%
Haxtun, CO	355,941	392,590	(36,649)	-9.3%	106,758	108,412	(1,654)	-1.5%	3,793	7.4%	(38,788)	-18.2%
Imperial PPD	1,672,652	1,698,708	(26,056)	-1.5%	628,515	659,939	(31,424)	-4.8%	52,469	7.4%	(47,101)	-19.5%
Indianola, IA	9,541,227	9,156,034	385,193	4.2%	3,948,248	3,909,649	38,599	1.0%	346,594	7.4%	-	-
Julesburg, CO	671,565	664,995	6,570	1.0%	267,019	272,480	(5,461)	-2.0%	24,241	7.4%	(12,210)	-18.8%
Kimball	1,359,597	1,408,130	(48,533)	-3.4%	444,049	488,822	(44,773)	-9.2%	41,308	7.4%	(45,070)	-18.9%
Lyman	250,588	263,018	(12,430)	-4.7%	82,504	87,426	(4,922)	-5.6%	6,879	7.4%	(14,387)	-17.4%
Lyons, CO	859,036	842,720	16,316	1.9%	353,492	364,738	(11,246)	-3.1%	32,081	7.4%	(4,518)	-20.3%
Mitchell	478,774	527,654	(48,880)	-9.3%	124,702	139,561	(14,859)	-10.6%	10,608	7.4%	(44,631)	-20.8%
Morrill	484,837	554,083	(69,246)	-12.5%	129,975	164,910	(34,935)	-21.2%	10,933	7.4%	(45,244)	-19.4%
Oak Creek, CO	441,205	435,116	6,089	1.4%	165,681	151,789	13,892	9.2%	12,262	7.4%	(20,066)	-18.9%
Oxford	418,376	427,045	(8,669)	-2.0%	174,770	197,803	(23,033)	-11.6%	14,367	7.4%	-	-
Pender	979,205	951,102	28,103	3.0%	422,877	432,589	(9,712)	-2.2%	37,815	7.4%	-	-
Pierce	1,504,231	1,421,463	82,768	5.8%	636,534	613,557	22,977	3.7%	59,791	7.4%	-	-
Plainview	726,466	711,885	14,581	2.0%	312,830	326,751	(13,921)	-4.3%	28,502	7.4%	-	-
Red Cloud	711,671	685,054	26,617	3.9%	313,890	313,483	407	0.1%	26,211	7.4%	-	-
Rockford, IA	447,327	431,229	16,098	3.7%	200,236	201,162	(926)	-0.5%	17,024	7.4%	-	-
Sergeant Bluff, IA	2,109,910	2,046,732	63,178	3.1%	848,245	859,155	(10,910)	-1.3%	74,088	7.4%	-	-
Shickley	251,816	247,186	4,630	1.9%	115,865	120,601	(4,736)	-3.9%	9,366	7.4%	-	-
Sidney	5,200,758	5,106,435	94,323	1.8%	2,014,243	2,028,048	(13,805)	-0.7%	190,138	7.4%	(82,013)	-18.4%
Spencer	457,478	448,336	9,142	2.0%	206,334	214,497	(8,163)	-3.8%	17,305	7.4%	-	-
Stuart	474,199	469,549	4,650	1.0%	179,454	190,874	(11,420)	-6.0%	16,070	7.4%	-	-
Torrington, WY	4,779,241	4,944,206	(164,965)	-3.3%	1,865,653	2,043,734	(178,081)	-8.7%	153,050	7.4%	(139,934)	-17.7%
Wall Lake, IA	161,912	205,414	(43,502)	-21.2%	64,859	115,050	(50,191)	-43.6%	6,689	7.4%	-	-
Waverly, IA	9,829,252	9,425,662	403,590	4.3%	4,167,763	4,144,162	23,601	0.6%	379,989	7.4%	-	-
West Point	3,664,656	3,562,037	102,619	2.9%	1,474,221	1,517,336	(43,115)	-2.8%	145,734	7.4%	-	-
Wisner	350,453	345,159	5,294	1.5%	149,545	158,095	(8,550)	-5.4%	13,844	7.4%	-	-
Yuma, CO	1,269,702	1,317,863	(48,161)	-3.7%	426,457	396,222	30,235	7.6%	26,194	7.4%	(104,591)	-18.4%
<b>Total Schedule M</b>	<b>109,954,433</b>	<b>109,168,262</b>	<b>786,171</b>	<b>0.7%</b>	<b>41,714,332</b>	<b>42,154,051</b>	<b>(439,719)</b>	<b>-1.0%</b>	<b>3,595,649</b>	<b>7.4%</b>	<b>(2,372,599)</b>	<b>-18.5%</b>
<b>SCHEDULE K</b>												
Glenwood Springs, CO	9,172,840	8,608,541	564,299	6.6%	3,495,952	3,122,766	373,186	12.0%	252,591	7.4%	(61,478)	-18.5%
Paxton	420,235	410,963	9,272	2.3%	189,716	196,326	(6,610)	-3.4%	15,882	7.4%	-	-
Sargent	-	137,069	(137,069)	-100.0%	-	137,069	(137,069)	-100.0%	-	0.0%	-	-
<b>Total Schedule K</b>	<b>9,593,075</b>	<b>9,156,573</b>	<b>436,502</b>	<b>4.8%</b>	<b>3,685,668</b>	<b>3,456,161</b>	<b>229,507</b>	<b>6.6%</b>	<b>268,473</b>	<b>7.4%</b>	<b>(61,478)</b>	<b>-18.5%</b>
<b>Total Schedule M&amp;K</b>	<b>\$ 119,547,508</b>	<b>\$ 118,324,835</b>	<b>\$ 1,222,673</b>	<b>1.0%</b>	<b>\$ 45,400,000</b>	<b>\$ 45,610,212</b>	<b>\$ (210,212)</b>	<b>-0.5%</b>	<b>\$ 3,864,123</b>	<b>7.4%</b>	<b>\$ (2,434,077)</b>	<b>-18.5%</b>

(1) No change in rates for Renewables - Contracted Wind or Landfill Gas - Attributes.

(2) Includes Fixed Cost Recovery Charge (FCRC), Energy Revenue, Support Energy Revenue, Renewables - Wind and Landfill Gas.

Current Budget revenues have been restated to use Proposed Budget volumes and Current Budget rates.

(3) Calculated including approved 10% cap on FCRC for Fiscal Year 2016-2017.

# **Municipal Energy Agency of Nebraska**

*Financial Statements  
For the Period Ended*

**October 31, 2016**



**Municipal Energy Agency of Nebraska  
Financial Statements  
October 31, 2016**

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**MEAN Overall Financial Results:**

Net revenue/(loss) in October was \$(1,153,000) compared to a budget of \$226,000 for a negative variance of \$1,378,000. See below for further explanation.

*Operating Revenues* – Operating revenues for October were \$10.4M compared to a budget of \$10.7M, 2.4% less than budget.

Revenues from Participant sales were less than budgeted by \$0.2M as participant energy usage was less than budget. Energy sales revenues from non-participants were less than budgeted by \$0.1M. Less MWh's were sold in the East at lower average \$/MWh due to unfavorable market conditions, as well as more MWh's were sold in the West but at lower average \$/MWh.

*Electric Energy Costs* – Total electric energy costs for October were \$8.7M compared to a budget of \$8.4M, 2.8% greater than budget.

Purchased Power expenses for October were \$6.6M compared to a budget of \$6.5M, 1.3% greater than budget. Significant components of purchased power expense include:

**Contracted Purchases**

- MWhs purchased from contracted resources were less than budget by 18% due to various resource outages; however, the lower production resulted in significantly increased \$/MWh.
  - PPGA WEC 2 had a scheduled outage lasting longer than originally anticipated resulting in fuel savings. Furthermore, PPGA WEC 2 continues to see savings related to their 2016 debt refunding.
  - MISO excess capacity costs continue to exceed budget. This variance is expected to continue for the remainder of 16-17. This is offset in part by related MISO market revenues reported in other operating revenues.

**Market Activity**

- Total MWhs purchased for load in the RTO markets were consistent with budget.
  - MISO MWhs purchased exceeded budget at a higher \$/MWh.
  - SPP MWhs purchased were less than budget at a slightly lower \$/MWh.
- MISO – Market MWh were less than budget. \$/MWh were also less than budget leading to a net decrease in MISO – Market expense.
- Generation sales revenues received, which partially offset energy expense of related generation, were less than budget.
  - MISO units (WSEC4 & Louisa) net generated less MWhs than budget. The \$/MWh received were greater than budget. Overall this led to a small increase in MISO generation sales revenues received compared to budget.
  - SPP Market units (WEC1, PPGA WEC2 & Wessington Springs) net generated less MWhs than budget. In addition, \$/MWh received were less than budget for a net decrease in SPP generation sales revenues received compared to budget.
  - SPP Other units (LRS Unit 1, NPPD CNS, NPPD GGS & NPPD wind facilities) net generated less MWhs than budget and \$/MWh received were less than budget for a net decrease in generation sales revenues received compared to budget.

Production expenses for October were nearly equal to budget of \$1.5M.

Transmission expenses for October were \$0.6M compared to a budget of \$0.4M, 61.3% greater than budget. Significant components of transmission expense include:

- One time SPP Z2 prior period estimated charge. There will be a monthly SPP Z2 charge moving forward.
- MISO Point-to-Point – Long Term was greater than budget due to rate increases for Schedule 11 (Wholesale Distribution charges).
- Transmission credits received were less than budget due to change in NITS rate.

*Operating Income/(Loss)* – October operating income/(loss) was \$403,000 compared to a budget of \$902,000 for a negative variance of \$498,000.

*Net Nonoperating Revenues/(Expenses)* – October net nonoperating expenses were \$1.6M compared to a budget of \$0.7M for a negative variance of \$0.9M. The variance represents the use of debt service reserve funds during the 2016A bond refunding transaction. Interest expense savings from the transaction will begin in November.

**Municipal Energy Agency of Nebraska**  
**Balance Sheets**  
**October 31, 2016 and 2015**

	2016	2015
<b><u>Assets &amp; Deferred Outflows of Resources</u></b>		
Cash and Cash Equivalents	\$ 23,244,220	\$ 23,900,082
Investments	16,782,735	15,941,492
Accounts Receivable	17,132,423	14,295,534
Prepaid Expenses & Other	198,892	259,805
Productive Capacity Operating Assets	4,061,549	3,260,245
Restricted Investments		
Debt Service Funds	3,228,207	3,917,249
Debt Service Reserve Funds	12,994,956	13,806,700
Total Restricted Investments	<u>16,223,163</u>	<u>17,723,949</u>
Contracts Receivable	2,359,029	3,507,748
Productive Capacity, Net	123,912,463	130,554,060
Capital Assets, Net	5,742,123	6,020,533
Costs Recoverable from Future Billings	42,409,234	42,474,834
<b>Total Assets</b>	<u>252,065,831</u>	<u>257,938,283</u>
Deferred Outflows of Resources		
Deferred Cost of Refunded Debt	<u>9,720,220</u>	<u>3,074,046</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 261,786,051</u>	<u>\$ 261,012,329</u>
<b><u>Liabilities, Deferred Inflows of Resources and Net Position</u></b>		
Current Liabilities		
Current Maturities of Long-Term Debt		
2009 Series A Bonds	\$ -	\$ 190,000
2012 Series A Bonds	3,480,000	3,155,000
2013 Series A & B Bonds	<u>2,235,000</u>	<u>2,185,000</u>
Total Current Maturities of Long-Term Debt	<u>5,715,000</u>	<u>5,530,000</u>
Accounts Payable & Accrued Expenses	9,239,978	8,529,025
Accrued Interest Payable	<u>366,338</u>	<u>689,958</u>
Total Current Liabilities	<u>15,321,315</u>	<u>14,748,983</u>
Long Term Debt		
2009 Series A Bonds	2,550,000	72,235,000
2012 Series A Bonds	51,985,000	55,465,000
2013 Series A & B Bonds	33,615,000	35,850,000
2016 Series A Bonds	<u>68,905,000</u>	<u>-</u>
Total Long Term Debt	<u>157,055,000</u>	<u>163,550,000</u>
Bond Premium, net	17,785,504	10,777,874
<b>Total Liabilities</b>	<u>190,161,819</u>	<u>189,076,857</u>
<b>Deferred Inflows of Resources</b>		
Deferred Revenue - Rate Stabilization		
RITA Funds	3,059,966	4,305,385
Capital Funds	3,626,034	1,790,134
General Funds	<u>14,434,995</u>	<u>14,140,693</u>
<b>Total Deferred Revenue - Rate Stabilization</b>	<u>21,120,994</u>	<u>20,236,212</u>
<b>Net Position</b>		
Net Position, Beginning of Year	47,764,198	47,124,259
YTD Net Revenue / (Loss)	<u>2,739,038</u>	<u>4,575,000</u>
<b>Net Position</b>	<u>50,503,237</u>	<u>51,699,260</u>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<u>\$ 261,786,051</u>	<u>\$ 261,012,329</u>

**Municipal Energy Agency of Nebraska**  
**Statement of Revenues & Expenses - Actual vs. Budget**  
**For Period Ended October 31, 2016**

	Current Month				Fiscal YTD				Fiscal Year
	Actual	Budget	+ / -	% + / -	Actual	Budget	+ / -	% + / -	Budget
<b>Electric Energy Sales - MWh's</b>									
Schedule M	111,508	116,236	(4,728)	-4.1%	876,557	883,401	(6,844)	-0.8%	1,574,750
Schedule K	7,070	7,480	(410)	-5.5%	55,344	58,100	(2,756)	-4.7%	103,480
Schedule J	2,884	2,393	491	20.5%	17,950	16,037	1,913	11.9%	30,603
Non-Participants	23,747	22,274	1,473	6.6%	154,348	118,643	35,705	30.1%	133,283
Renewables - Wind	10,426	10,790	(364)	-3.4%	66,213	64,952	1,261	1.9%	130,856
Landfill Gas - Energy	84	84	-	0.0%	588	588	-	0.0%	1,008
Total Electric Energy Sales - MWh's	155,719	159,257	(3,538)	-2.2%	1,170,999	1,141,721	29,278	2.6%	1,973,980
<b>Operating Revenues</b>									
Electric Energy Sales									
Schedule M	\$ 8,122,535	\$ 8,312,404	\$ (189,869)	-2.3%	\$ 59,901,155	\$ 60,134,302	\$ (233,147)	-0.4%	\$ 105,773,064
Schedule K	579,522	595,733	(16,211)	-2.7%	4,269,274	4,378,344	(109,070)	-2.5%	7,667,730
Schedule J	146,606	125,547	21,059	16.8%	896,356	820,382	75,974	9.3%	1,581,856
Non-Participants	686,781	786,214	(99,433)	-12.6%	3,950,006	3,120,140	829,866	26.6%	3,454,936
Renewables - Wind	531,730	551,201	(19,471)	-3.5%	3,382,217	3,318,233	63,984	1.9%	6,687,642
Landfill Gas - Energy	3,189	3,189	0	0.0%	22,326	22,323	3	0.0%	38,268
Landfill Gas - Attributes	33,480	33,480	-	0.0%	234,360	234,360	-	0.0%	401,760
Total Electric Energy Sales	10,103,844	10,407,768	(303,924)	-2.9%	72,655,693	72,028,084	627,609	0.9%	125,605,256
Transfer From / (Provision For) Rate Stab									
Rate Stabilization - General	(15,561)	(15,561)	-	0.0%	1,924,715	1,924,715	-	0.0%	-
Rate Stabilization - Capital	166,667	166,667	-	0.0%	1,166,669	1,166,669	-	0.0%	2,000,000
Rate Stabilization - RITA	105,000	105,000	-	0.0%	735,000	735,000	-	0.0%	1,260,000
Total Trans From / (Prov For) Rate Stab	256,106	256,106	-	0.0%	3,826,384	3,826,384	-	0.0%	3,260,000
Other	86,448	35,064	51,384	146.5%	534,748	277,000	257,748	93.0%	499,932
Total Operating Revenues	10,446,397	10,698,938	(252,541)	-2.4%	77,016,825	76,131,468	885,357	1.2%	129,365,188
<b>Operating Expenses</b>									
Electric Energy Costs									
Purchased Power	6,610,089	6,523,270	86,819	1.3%	46,085,806	45,762,129	323,677	0.7%	77,736,519
Production	1,456,796	1,539,195	(82,399)	-5.4%	10,533,734	11,461,036	(927,302)	-8.1%	19,086,695
Transmission	601,734	373,055	228,679	61.3%	2,913,753	2,962,922	(49,169)	-1.7%	5,134,911
Total Electric Energy Costs	8,668,620	8,435,520	233,100	2.8%	59,533,292	60,186,087	(652,795)	-1.1%	101,958,125
Administrative & General									
Payroll & Benefits	440,729	490,583	(49,854)	-10.2%	3,088,211	3,434,081	(345,870)	-10.1%	5,887,000
Internal Office	83,784	111,055	(27,271)	-24.6%	629,502	716,316	(86,814)	-12.1%	1,367,613
Member	12,479	10,666	1,813	17.0%	185,144	223,949	(38,805)	-17.3%	322,043
Consultants & Outside Services	236,953	143,839	93,114	64.7%	1,098,498	1,030,522	67,976	6.6%	1,753,443
Total Administrative & General	773,944	756,143	17,801	2.4%	5,001,355	5,404,868	(403,513)	-7.5%	9,330,099
Depreciation and Amortization	600,657	605,708	(5,051)	-0.8%	4,204,079	4,239,956	(35,877)	-0.8%	7,268,457
Total Operating Expenses	10,043,221	9,797,371	245,850	2.5%	68,738,726	69,830,911	(1,092,185)	-1.6%	118,556,681
<b>Operating Income/(Loss)</b>	403,176	901,567	(498,391)	-55.3%	8,278,099	6,300,557	1,977,542	31.4%	10,808,507
<b>Nonoperating Revenues/(Expenses)</b>									
Net Costs To Be Recovered in Future Periods	(371,951)	(65,539)	(306,412)	467.5%	(765,183)	(458,773)	(306,410)	66.8%	(786,465)
Investment Return	35,206	26,309	8,897	33.8%	249,158	184,163	64,995	35.3%	315,700
Interest Expense	(674,572)	(674,572)	1	0.0%	(4,722,001)	(4,722,004)	3	0.0%	(8,094,858)
Amortization of Def. Cost of Refunded Debt	37,677	37,804	(127)	-0.3%	263,740	264,628	(888)	-0.3%	453,634
Bond Issue Costs	(583,195)	-	(583,195)	100.0%	(583,195)	-	(583,195)	100.0%	-
Other	735	-	735	100.0%	18,420	-	18,420	100.0%	-
Net Nonoperating Revenues/(Expenses)	(1,556,100)	(675,998)	(880,102)	130.2%	(5,539,061)	(4,731,986)	(807,075)	17.1%	(8,111,989)
<b>Net Revenue / (Loss)</b>	\$ (1,152,923)	\$ 225,569	\$ (1,378,492)	-611.1%	\$ 2,739,038	\$ 1,568,571	\$ 1,170,467	74.6%	\$ 2,696,518



**Municipal Energy Agency of Nebraska**  
**Statement of Revenues & Expenses - Actual vs. Prior Year**  
**For Period Ended October 31, 2016 and 2015**

	Month				Fiscal YTD			
	Current	Prior Year	+ / -	% + / -	Current	Prior Year	+ / -	% + / -
<b>Electric Energy Sales - MWh's</b>								
Schedule M	111,508	110,638	870	0.8%	876,557	854,255	22,302	2.6%
Schedule K	7,070	7,241	(171)	-2.4%	55,344	57,143	(1,799)	-3.1%
Schedule J	2,884	1,811	1,073	59.3%	17,950	55,658	(37,708)	-67.7%
Non-Participants	23,747	21,463	2,285	10.6%	154,348	198,598	(44,250)	-22.3%
Renewables - Wind	10,426	10,223	203	2.0%	66,213	69,132	(2,919)	-4.2%
Landfill Gas - Energy	84	84.00	0	0.0%	588	252.00	336	133.3%
Total Electric Energy Sales - MWh's	155,719	151,460	4,259	2.8%	1,170,999	1,235,038	(64,039)	-5.2%
<b>Operating Revenues</b>								
Electric Energy Sales								
Schedule M	\$ 8,122,535	\$ 8,274,898	\$ (152,363)	-1.8%	\$ 59,901,155	\$ 60,044,337	\$ (143,182)	-0.2%
Schedule K	579,522	568,715	10,807	1.9%	4,269,274	4,203,601	65,673	1.6%
Schedule J	146,606	92,989	53,616	57.7%	896,356	3,464,092	(2,567,737)	-74.1%
Non-Participants	686,781	439,302	247,479	56.3%	3,950,006	4,971,858	(1,021,852)	-20.6%
Renewables - Wind	531,730	524,876	6,855	1.3%	3,382,217	3,698,762	(316,545)	-8.6%
Landfill Gas - Energy	3,189	3,171	18	0.6%	22,326	9,514	12,813	134.7%
Landfill Gas - Attributes	33,480	33,240	240	0.7%	234,360	231,780	2,580	1.1%
Total Electric Energy Sales	10,103,844	9,937,191	166,653	1.7%	72,655,693	76,623,943	(3,968,250)	-5.2%
Transfer From / (Provision For) Rate Stab								
Rate Stabilization - General	(15,561)	(438,104)	422,543	-96.4%	1,924,715	1,019,017	905,698	88.9%
Rate Stabilization - Capital	166,667	-	166,667	100.0%	1,166,669	-	1,166,669	100.0%
Rate Stabilization - RITA	105,000	102,083	2,917	2.9%	735,000	714,581	20,419	2.9%
Total Trans From / (Prov For) Rate Stab	256,106	(336,021)	592,127	-176.2%	3,826,384	1,733,598	2,092,786	120.7%
Other Revenues	86,448	46,619	39,828	85.4%	534,748	275,074	259,674	94.4%
Total Operating Revenues	10,446,397	9,647,789	798,608	8.3%	77,016,825	78,632,615	(1,615,790)	-2.1%
<b>Operating Expenses</b>								
Electric Energy Costs								
Purchased Power	6,610,089	5,889,876	720,214	12.2%	46,085,806	45,051,064	1,034,741	2.3%
Production	1,456,796	1,410,430	46,366	3.3%	10,533,734	11,651,764	(1,118,030)	-9.6%
Transmission	601,734	479,962	121,772	25.4%	2,913,753	3,741,695	(827,942)	-22.1%
Total Electric Energy Costs	8,668,620	7,780,268	888,352	11.4%	59,533,292	60,444,523	(911,231)	-1.5%
Administrative & General Expenses								
Payroll & Benefits	440,729	407,192	33,537	8.2%	3,088,211	2,852,425	235,786	8.3%
Internal Office	83,784	90,663	(6,879)	-7.6%	629,502	529,765	99,737	18.8%
Member	12,479	4,971	7,508	151.1%	185,144	155,682	29,461	18.9%
Consultants & Outside Services	236,953	116,622	120,331	103.2%	1,098,498	759,639	338,859	44.6%
Total Administrative & General Expenses	773,944	619,447	154,497	24.9%	5,001,355	4,297,512	703,843	16.4%
Depreciation and Amortization	600,657	786,041	(185,384)	-23.6%	4,204,079	5,510,229	(1,306,150)	-23.7%
Total Operating Expenses	10,043,221	9,185,756	857,465	9.3%	68,738,726	70,252,264	(1,513,538)	-2.2%
<b>Operating Income/(Loss)</b>	<b>403,176</b>	<b>462,033</b>	<b>(58,857)</b>	<b>-12.7%</b>	<b>8,278,099</b>	<b>8,380,351</b>	<b>(102,252)</b>	<b>-1.2%</b>
<b>Nonoperating Revenues/(Expenses)</b>								
Net Costs To Be Recovered in Future Periods	(371,951)	139,917	(511,867)	-365.8%	(765,183)	979,416	(1,744,599)	-178.1%
Investment Return	35,206	32,098	3,108	9.7%	249,158	192,119	57,039	29.7%
Interest Expense	(674,572)	(689,958)	15,387	-2.2%	(4,722,001)	(4,829,708)	107,708	-2.2%
Amortization of Def. Cost of Refunded Debt	37,677	(22,562)	60,239	-267.0%	263,740	(157,937)	421,676	-267.0%
Bond Issue Costs	(583,195)	-	(583,195)	100.0%	(583,195)	-	(583,195)	100.0%
Other	735	7,715	(6,980)	-90.5%	18,420	10,760	7,660	71.2%
Total Nonoperating Revenues/(Expenses)	(1,556,100)	(532,791)	(1,023,309)	192.1%	(5,539,061)	(3,805,351)	(1,733,710)	45.6%
<b>Net Revenue / (Loss)</b>	<b>\$ (1,152,923)</b>	<b>\$ (70,758)</b>	<b>\$ (1,082,165)</b>	<b>1529.4%</b>	<b>\$ 2,739,038</b>	<b>\$ 4,575,000</b>	<b>\$ (1,835,962)</b>	<b>-40.1%</b>

Note: Prior Year information (Current month and YTD) has been restated to consistently present Electric Energy Sales to Non-Participants and Purchased Power Expenses related to MISO & SPP market transactions as a net purchase or net sale on an hourly basis within each separate day-ahead and real-time market based on net volumes purchased or sold.

**Municipal Energy Agency of Nebraska  
Statements of Cash Flows  
For Period Ended October 31, 2016**

	<b>Current Month</b>	<b>Fiscal YTD</b>
<b>Cash Received From Participants &amp; Customers</b>		
Schedule M	\$9,921,370	\$71,812,919
Schedule K	844,855	5,918,526
Schedule J	131,510	967,377
Service Schedule	235,344	1,732,221
Non-Participants	589,323	3,685,431
Other	126,990	1,193,320
	<u>11,849,393</u>	<u>85,309,794</u>
<b>Cash Paid To Suppliers</b>	(10,665,093)	(78,293,478)
<b>Cash Received From (Paid To) Coalition Members, Net</b>		
NMPP	(440,000)	(3,603,032)
NPGA	2,388	21,743
ACE	3,010	21,312
<b>Transfer from / (to) Escrow</b>	(9,529)	202,887
<b>Debt Service Activity</b>		
Transfer to Debt Service Accounts	-	(6,904,929)
2016A Bonds refunding activity	(308,234)	(308,234)
Interest Received On Debt Service Investments	-	139,203
<b>Additions of Productive Capacity</b>	(105,285)	(1,038,054)
<b>Purchase of Capital Assets</b>	(23,357)	(95,113)
<b>Purchases, Sales, &amp; Maturities Of Investments, Net</b>	100,000	(155,100)
<b>Interest Received On Investments</b>	12,993	94,288
<b>Increase (Decrease) In Cash &amp; Cash Equivalents</b>	<u>416,286</u>	<u>(4,608,712)</u>
<b>Cash &amp; Cash Equivalents, Beginning Of Period</b>	22,827,935	27,852,932
<b>Cash &amp; Cash Equivalents, End Of Period</b>	<u><u>\$23,244,220</u></u>	<u><u>\$23,244,220</u></u>

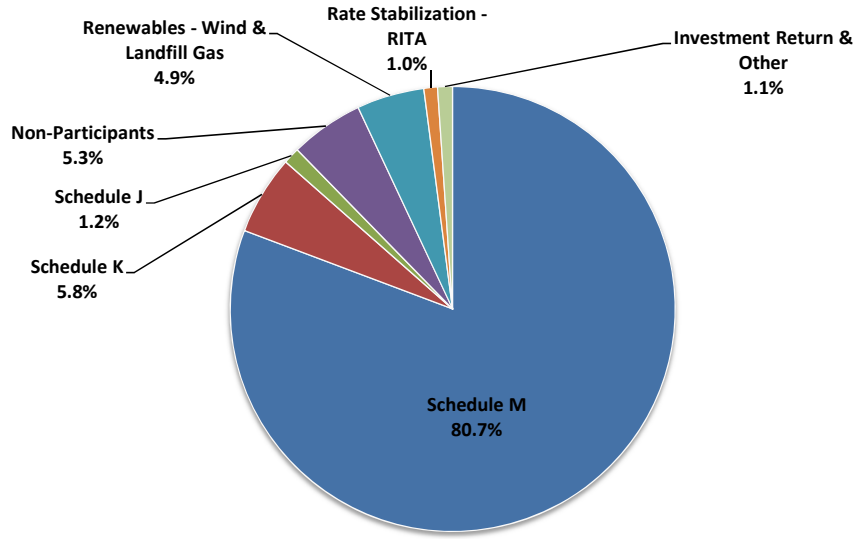
# Municipal Energy Agency of Nebraska

## Selected Financial Results

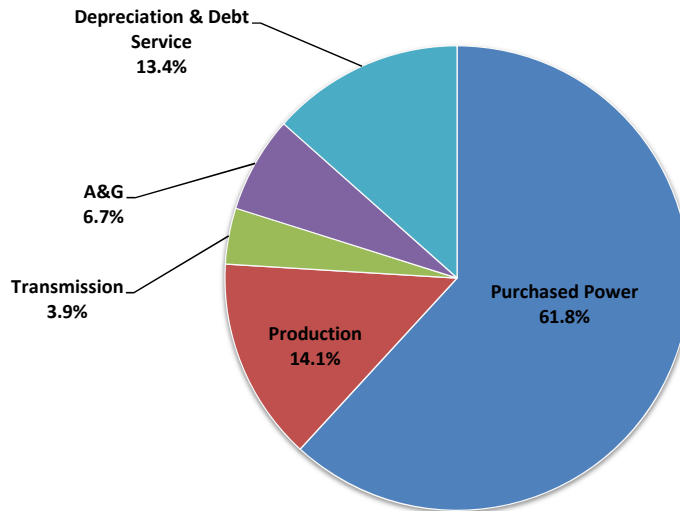
Fiscal Year to Date Ended October 31, 2016

### Actual Revenues By Type - % of Total Revenues

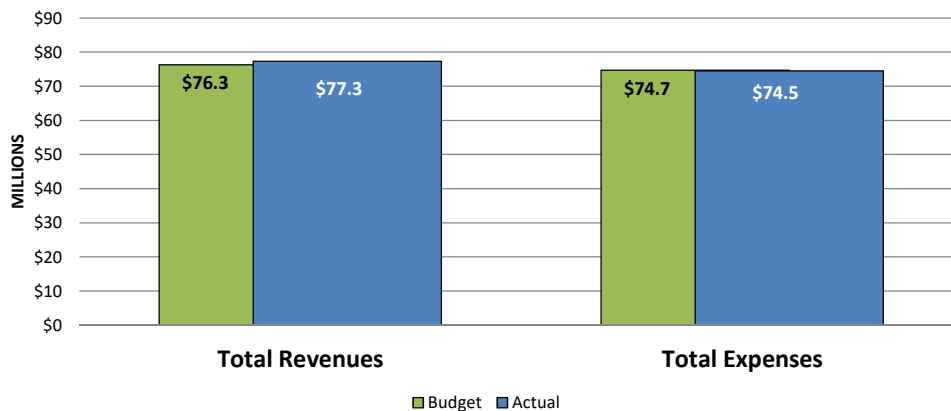
Excludes Rate Stabilization - General & Capital Activity



### Actual Expenses By Type - % of Total Expenses



### YTD - Actual vs. Budget



**IMU Regular Downstairs**

**7. A.**

**Meeting Date:** 12/27/2016

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**Information**

**Subject**

Fiber Calendar

**Information**

General Manager Rob Stangel will present a calendar at the meeting.

**Financial Impact**

N/A

**Staff Recommendation**

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**Attachments**

*No file(s) attached.*

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**Meeting Date:** 12/27/2016

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**Information**

**Subject**

Consider Resolution 172 Authorizing Administrative Staff Consolidation and Restructure

**Information**

Attached to this agenda item is Resolution 172 Authorizing Administrative Staff Consolidation and Restructure. It formally authorizes Staff's recommendation to consolidate city and utility administrative staff as presented by Rob Stangel at the December 5, 2016 joint meeting.

**Financial Impact**

N/A

**Staff Recommendation**

Roll call vote is in order.

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**Attachments**

Resolution

Organizational Chart

Utility Supervisor Job Description

Administrative Bookkeeper Job Description

Utility Service Rep Job Description

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**RESOLUTION NO. 2016-272**

**RESOLUTION APPROVING ADMINISTRATIVE STAFF CONSOLIDATION  
AND RESTRUCTURE**

WHEREAS, the Indianola Municipal Utilities and the City of Indianola joint administrative staffs have re-evaluated staffing needs due to expected expansion of the fiber utility and recent staff turnover; and

WHEREAS, the IMU and City joint administrative staffs recommend the consolidation and restructure of the administrative positions serving both organizations per the organizational chart attached hereto; and

WHEREAS, the IMU and City joint administrative staffs will increase employee headcount by only one and a half full-time equivalent positions as opposed to the four positions originally recommended and restructure duties to facilitate a better cross trained staff; and

WHEREAS, the IMU and City will appropriately reallocate administrative costs between departments given the expected expansion of the fiber utility and benefit from those cost savings; and

WHEREAS, it is the determination of the IMU Board of Trustees and City Council that the IMU and City joint administrative staffs shall consolidate and restructure duties in accordance with the organization chart and job descriptions in substantial conformance as attached; and

NOW, THEREFORE, BE IT RESOLVED by the IMU Board of Trustees of the City of Indianola, Iowa, that:

1. That the IMU Board of Trustees of the City of Indianola, Iowa hereby authorizes the consolidation and restructure of the IMU and City joint administrative staffs.

2. The budgetary impacts of the restructure will be amended accordingly.

PASSED AND APPROVED this 27th day of December 2016.

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Deb White, Chair

Attest:

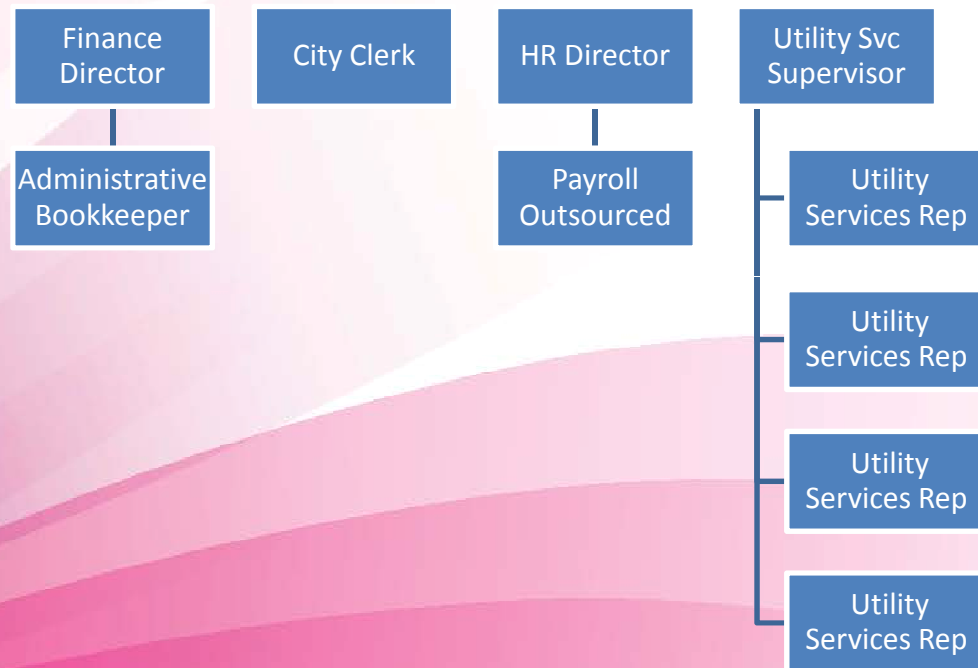
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Diana Bowlin, City Clerk



# Proposed Restructure

- City & IMU administrative employees consolidated
- Finance Director, City Clerk & HR Director
  - Report to City Manager
  - Also responsible to IMU Manager
- Utility Services Department
  - Report to IMU Manager
  - Also responsible to City Manager



INDIANOLA MUNICIPAL UTILITIES



Electric • Network Services • Water



## POSITION DESCRIPTION

**POSITION:** UTILITY SERVICES SUPERVISOR  
**DEPARTMENT:** UTILITY SERVICES DEPARTMENT  
**REPORTS TO:** GENERAL MANAGER OF UTILITIES

**CIVIL SERVICE:** NO  
**FLSA EXEMPT:** NO  
**PAY GRADE:** CE-10

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### FUNCTION:

Under general direction, plans and organizes the daily operation of the utility services department including coordinating and planning utility customer service and billing. Advises City and IMU management on problems and practices regarding utility customer service and billing.

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### SUPERVISES:

Utility Services Dept. Staff

### EQUIPMENT USED:

Vehicles and standard office equipment.

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### PRINCIPAL DUTIES AND RESPONSIBILITIES:

The following duties are normal for this position. These are not to be construed as exclusive or all inclusive. Other duties may be required and assigned.

- Directs daily operations of the utility services department, including oversight of departmental employees, in accordance with applicable rules and regulations.
  - Ensures the utility services department effectively performs all customer service functions for municipal electric, sewer, water, communications and recycling utility ratepayers.
  - Primary responsibility for the utility billing process to include receiving customer requests for utility services, processing service and meter work orders, entering meter readings, preparing monthly utility bills, maintaining utility records, and making necessary corrections on bills.
  - Coordinates collecting and analyzing information on customer satisfaction; prepares reports and makes recommendations as needed.
  - Coordinates energy efficiency, state income offset, payment agreement, customer assistance and other utility related programs and processes; makes recommendations on program design as needed.
  - Oversees the receipt of payments for fees, permits, licenses, utility connections, utility bills, etc.
  - Maintains records and file systems for all utilities, including electronic and document imaging; coordinates with the City Clerk, who is the official custodian of documents.
  - Prepares and issues miscellaneous bills; including those for use of electric poles, wastewater I&I, and installation of utility infrastructure.
  - Receives, dispatches, and tracks requests for utility locates and service problems.
  - Communicates outage information to public and staff, including during emergency situations.
  - Prepares correspondence, reports, letters and forms as needed; assists with clerical and other related work as required.
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**REQUIRED KNOWLEDGE, SKILLS AND ABILITIES:**

- Thorough knowledge of clerical accounting practices and business arithmetic.
  - Ability to keep complex records, to assemble and organize data, and to prepare reports from such records.
  - Ability to process complex information and make recommendations to co-workers, supervisor, and appointed officials.
  - Ability to work independently and handle confidential information.
  - Ability to plan, establish, and adjust working procedures and methods.
  - Ability to deal courteously and tactfully with the public and work harmoniously with other employees.
  - Good knowledge of modern office procedures, terminology, and equipment.
  - Ability to handle the daily financial transactions including receipt of payments, bank deposits, and adjustment of bills.
  - Ability to deal courteously and tactfully with the public.
  - Ability to deal with customer complaints in a mature and responsible manner.
  - Ability to adequately adjust customers' bills in appropriate situations.
  - Ability to prepare various reports which require the use of independent judgment.
- 

**ACCEPTABLE EXPERIENCE AND TRAINING:**

- College degree from an accredited college or university with specialization in public or business administration or other field related to public utility work; or any combination of experience and training which provides the required knowledge, skills and abilities.
  - One (1) year of administrative experience preferably with a public utility.
  - Knowledge of electric, sewer, water, recycling, and communications utilities is preferred.
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**ENVIRONMENTAL CONDITIONS:**

- Work is performed in a typical office or administrative environment. The worker is not substantially exposed to adverse environmental conditions.
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**PHYSICAL REQUIREMENTS:**

- Driving, climbing, stooping, kneeling, crouching, reaching, standing, walking, pushing, pulling, lifting, finger dexterity, grasping, feeling, talking and hearing.
  - Sitting 80 percent of the time.
  - Standing and/or walking approximately 20 percent of the time.
  - Requires the exertion of up to 10 pounds of force continuously.
  - Up to 50 pounds of force infrequently to lift or otherwise move objects.
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**VISION REQUIREMENTS:**

- The minimum standard for use with those whose work deals largely with preparing and analyzing data and figures, accounting, transcription, computer terminal, and extensive reading.



## POSITION DESCRIPTION

**POSITION:** ADMINISTRATIVE BOOKKEEPER  
**DEPARTMENT:** FINANCE DEPARTMENT  
**REPORTS TO:** DIRECTOR OF FINANCE

**CIVIL SERVICE:** NO  
**FLSA EXEMPT:** NO  
**PAY GRADE:** CE-4

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### **FUNCTION:**

Performs specialized clerical work involving the application of bookkeeping principles to the maintenance of accounting records and financial reports.

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### **SUPERVISES:**

### **EQUIPMENT USED:**

Standard office equipment.

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### **PRINCIPAL DUTIES AND RESPONSIBILITIES:**

- Receives, processes and distributes invoices.
  - Codes invoice claims to correct accounts or classifications.
  - Balances specific items and verifies numerical data by re-computing original calculations.
  - Utilizes the computer to run the claims report and the receipt report for City Council and Board of Trustees approval.
  - Serves as a confidential employee for management.
  - Prepares, collates and distributes a variety of monthly financial reports; maintains records.
  - Compiles information for, prepares, and submits monthly and quarterly reports to maintain compliance with necessary state, federal, and other regulatory agencies (electric, sewer, water, communications, payroll). Performs related research work as needed.
  - Prepares, codes and computes payroll including distribution by department and fund.
  - Secures, prepares and reviews timesheets.
  - Maintains ledgers, prepares necessary journal entries, and assists in the preparation of monthly, quarterly, and annual city and utility budget and financial related reports.
  - Balance PSN credit cards for utilities and miscellaneous accounts.
  - Prepares and mails checks.
  - Verifies numerical data by re-computing original calculations.
  - Processes necessary deductions.
  - Computes payroll information and issues payroll checks.
  - Maintains payroll, utility, and other records.
  - Types reports, letter, forms, etc.
  - Assists with other clerical duties and performs related work as required.
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**REQUIRED KNOWLEDGE, SKILLS AND ABILITIES:**

- Good knowledge of business arithmetic.
  - Good knowledge of office terminology, procedures and equipment
  - Ability to operate adding machines and other common office equipment.
  - Ability to prepare and maintain appropriate records relating to payroll, personnel, and utility statistical and usage information.
  - Ability to perform a wide variety of clerical-accounting tasks associated with payroll, personnel management, city and utility operations.
  - Ability to prepare various reports which requires the use of independent judgment.
  - Ability to keep certain items confidential when serving as a confidential employee to city and utility management.
  - Ability to process claims for payment to vendors and agencies.
  - Ability to operate the computer to accurately prepare, run and balance necessary financial reports.
  - Ability to maintain financial records and to perform a wide variety of clerical accounting tasks.
  - Ability to maintain effective working relationships with other employees.
  - Ability to deal courteously and tactfully with the public.
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**ACCEPTABLE EXPERIENCE AND TRAINING:**

- Graduation from high school, including or supplemented by courses in bookkeeping and computer operations.
  - One to two year's experience in responsible clerical work preferably including the keeping and recording of financial or other transactions.
  - Or any combination of experience and training which provides the required knowledge, skills and abilities.
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**ENVIRONMENTAL CONDITIONS:**

- The work is performed in a typical office or administrative environment. The worker is not substantially exposed to adverse environmental conditions.
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**PHYSICAL REQUIREMENTS:**

- Walking, stooping, lifting, reaching, talking, hearing, grasping, finger dexterity, repetitive motions.
  - Sitting approximately 70 percent of the time.
  - Standing and/or walking approximately 30 percent of the time.
  - Requires the exertion of up to 10 pounds of force frequently to lift or otherwise move objects.
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**VISION REQUIREMENTS:**

- The minimum standard for use with those whose work deals largely with preparing and analyzing data and figures, accounting, transcription, computer terminal and extensive reading.



## **POSITION DESCRIPTION**

**POSITION:** UTILITY SERVICES REPRESENTATIVE  
**DEPARTMENT:** UTILITY SERVICES DEPARTMENT  
**REPORTS TO:** UTILITY SERVICES SUPERVISOR

**CIVIL SERVICE:** NO  
**FLSA EXEMPT:** NO  
**PAY GRADE:** CE-4

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### **FUNCTION:**

Responsible for utility customer support and daily financial transactions including customer billing and adjustments, utility service requests and work orders, receipt of payments, and bank deposits.

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### **SUPERVISES:**

### **EQUIPMENT USED:**

Vehicles and standard office equipment.

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### **PRINCIPAL DUTIES AND RESPONSIBILITIES:**

The following duties are normal for this position. These are not to be construed as exclusive or all inclusive. Other duties may be required and assigned.

- Performs customer service functions for municipal electric, sewer, water, communications and recycling utility ratepayers.
  - Performs receptionist duties, answers telephones, and assists customers and visitors with questions, problems or complaints.
  - Assists supervisor with the utility billing process to include receiving customer requests for utility services, processing service and meter work orders, entering meter readings, preparing monthly utility bills, maintaining utility records, and making necessary corrections on bills.
  - Receives payments for fees, permits, licenses, utility connections, utility bills, etc.
  - Balances cash receipts, utility payments, bank deposits, daily collections and disbursements.
  - Maintains records and file systems for all utilities, including electronic and document imaging; coordinates with the City Clerk, who is the official custodian of documents.
  - Prepares and issues miscellaneous bills; including those for use of electric poles, wastewater I&I, and installation of utility infrastructure.
  - Receives, dispatches, and tracks requests for utility locates and service problems.
  - Communicates outage information to public and staff, including during emergency situations.
  - Works with customer assistance programs and sets up utility payment agreements.
  - Works past due and delinquent accounts for collection and service disconnects.
  - Submits claims to the State Income Offset Program for past due balances.
  - Prepares correspondence, reports, letters and forms as needed; sorts and distributes mail; assists with clerical and other related work as required.
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**REQUIRED KNOWLEDGE, SKILLS AND ABILITIES:**

- Thorough knowledge of clerical accounting practices and business arithmetic.
  - Good knowledge of modern office procedures, terminology, and equipment.
  - Ability to handle the daily financial transactions including receipt of payments, bank deposits, and adjustment of bills.
  - Ability to deal courteously and tactfully with the public.
  - Ability to deal with customer complaints in a mature and responsible manner.
  - Ability to adequately adjust customers' bills in appropriate situations.
  - Ability to address issues involving confidential information.
  - Ability to prepare various reports which require the use of independent judgment.
  - Ability to operate computer hardware and software in an efficient and effective manner.
  - Ability to operate adding machines and other common office equipment.
  - Ability to work independently and make sound decisions.
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**ACCEPTABLE EXPERIENCE AND TRAINING:**

- Graduation from high school, including or supplemented by courses in computer operations; three years experience in responsible clerical work, which includes computer operations or any combination of experience and training which provides the required knowledge, skills and abilities.
  - Knowledge of electric, sewer, water, recycling, and communications utilities is preferred.
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**ENVIRONMENTAL CONDITIONS:**

- Work is performed in a typical office or administrative environment. The worker is not substantially exposed to adverse environmental conditions.
- 

**PHYSICAL REQUIREMENTS:**

- Driving, climbing, stooping, kneeling, crouching, reaching, standing, walking, pushing, pulling, lifting, finger dexterity, grasping, feeling, talking and hearing.
  - Sitting 80 percent of the time.
  - Standing and/or walking approximately 20 percent of the time.
  - Requires the exertion of up to 10 pounds of force continuously.
  - Up to 50 pounds of force infrequently to lift or otherwise move objects.
- 

**VISION REQUIREMENTS:**

- The minimum standard for use with those whose work deals largely with preparing and analyzing data and figures, accounting, transcription, computer terminal, and extensive reading.

Meeting Date: 12/27/2016

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**Information**

**Subject**

Selection of 2017 Officers

**Information**

Past practice for office holders is one of rotating seniority, with each Trustee having the ability to serve as Chair and Vice Chair during a 6-year tenure. However, it is solely up to the Board to select its officers in any given year.

Selection of a Chair and Vice Chair is in order.

Simple motion is in order.

**Financial Impact**

N/A

**Staff Recommendation**

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**Attachments**

*No file(s) attached.*

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Meeting Date: 12/27/2016

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**Information**

**Subject**

Enter into closed session in accordance with Iowa Code Section 21.5(1)(i) to evaluate the professional competency of an individual whose appointment, hiring, performance, or discharge is being considered when necessary to prevent needless and irreparable injury to that individual's reputation and that individual requests a closed session

**Information**

Roll call to go into closed session is in order.

**Financial Impact**

N/A

**Staff Recommendation**

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**Attachments**

*No file(s) attached.*

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